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Japan

Watanabe Views Uruguay Round 'Prospects'

OW0501063593 Tokyo KYODO in English 0407 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Foreign Minister Michio Watanabe expressed doubts Tuesday over the prospects for an early settlement in the Uruguay Round of multilateral trade talks.

Watanabe told a news conference that the transition of power in the United States from the administration of President George Bush to the new administration of President-elect Bill Clinton could delay a conclusion of the talks.

Watanabe said, however, that the U.S. political changes will not affect basic agreement among member nations of the General Agreement on Tariffs and Trade (GATT) to bring the talks to a successful conclusion.

The Clinton administration is scheduled to be inaugurated on January 20.

Agriculture, Forestry, and Fisheries Minister Masami Tanabu told a separate news conference that there are uncertainties over the Uruguay Round talks, since little information is available about trade policies of the Clinton administration.

Tanabu also said issues other than farm trade, the focus of past discussions, could delay an early conclusion of the talks.

Tokyo Views U.S. Concept for Export Controls

OW0101060993 Tokyo NHK General Television Network in Japanese 0300 GMT 1 Jan 93

[From the "NHK News" program]

[Text] It has been learned that the United States has proposed a concept to industrial nations for the creation of a new export control system to prevent regional conflicts like the Gulf war, in lieu of the Cocom, the Coordinating Committee on Control of Exports to Communist Countries.

The U.S. concept is aimed at expanding last year's agreement at the Munich summit to ban exports of conventional arms like tanks, as well as materials usable in arms production, to some countries in the Middle East which might attempt to provoke a war. The United States wants to expand the idea of the agreement so that exports of private-sector high-tech goods to those countries are banned as well.

The United States has also proposed consolidating the lists of countries and commodities to which the ban will apply. These lists at present exist separately for arms of mass destruction like nuclear arms, bacterial and chemical arms.

The U.S. concept seeks to make the Group of Seven [G-7] nations the central body for controlling exports in lieu of the Cocom, which had so far controlled exports of high-tech products to communist countries and has thus contributed much to world security since the end of World War II.

The G-7 nations are due to discuss this concept in detail. The Japanese Government's basic policy is to support it.

Clinton Heads List of 1993 Expected Visitors

OW0101080893 Tokyo KYODO in English 0120 GMT 1 Jan 93

[Text] Tokyo, Jan. 1 KYODO—Among foreign dignitaries expected to visit Japan this year, U.S. President-elect Bill Clinton is likely to attract the greatest attention, government sources said Thursday.

Clinton, who takes office on January 20, will visit Japan to attend the July 7-9 summit of the Group of Seven (G-7) major industrialized countries in Tokyo.

Russian President Boris Yeltsin is also likely to attend the summit, the sources said.

German Chancellor Helmut Kohl and United Nations Secretary General Butrus Butrus Ghali are scheduled to come in February, they said.

Visits by Mexican President Carlos Salinas in April, and Argentine President Carlos Menem and Portuguese President Mario Soares in autumn are expected.

The government has extended invitations to Chinese President Yang Shangkun, Vice Premier Zhu Rongji, and Foreign Minister Qian Qichen as well as Egyptian President Hosni Mubarak.

It also plans to invite Philippine President Fidel Ramos, Mongolian Prime Minister Puntsagiyn Jasray, and British Prime Minister John Major, the sources said.

U.S. Pressure on Market Opening Expected

OW0201015493 Tokyo KYODO in English 0107 GMT 2 Jan 93

[Text] Tokyo, Jan. 2 KYODO—The majority of top Japanese business executives polled said the new U.S. Administration will probably bring stronger pressure on Japan to open its market wider to foreign imports, according to the results of a survey released by KYODO News Service Saturday.

Fifty-six, or nearly 60 percent, of the 100 top executives of as many major Japanese companies gave that reply to the question "what change do you expect the inauguration of the Bill Clinton administration will bring about to the economic relations between Japan and the United States?"

The executives said the new U.S. Administration will likely work to restore Super 301 of the U.S. Trade Act, call for opening the market wider for specific foreign-made items, or may levy a heavier income tax on foreign businesses.

Some of them said the new U.S. Government will probably attach greater importance to palpable effects of market opening than mere commitment.

Thirty-nine executives, or close to 40 percent said, however, they do not think that the birth of the Clinton era will cause any major change in U.S. economic ties with Japan.

On the domestic front, 51 of the business leaders called a revision of the political donation system the most important political reform measure needed.

Seventy-two top executives, or close to three-quarters, urged tighter controls over donations to political parties by businesses or other organizations. Five executives wanted a wholesale ban on such donations.

Forty-three saw the need for a revision of the current electoral constituency system and 39 others wanted an end to the existing faction-oriented politics.

On the current state of general business activity, 35 officers forecast that business will reach a low point in the April-June quarter. A quarter predicted that it will hit rock bottom in the current three-month period and another quarter thought the bottom would be hit in the latter half of this year.

The majority called mainly for an increase in government spending on public works and a cut in personal income tax to perk up consumer spending. One-third urged a further easing in credit controls.

Forty-nine executives forecast economic growth of between 2.5 and 3 percent in real terms in fiscal 1993 beginning April 1, and 37 executives, close to two-fifths, saw growth as being between 2 percent and 2.5 percent.

Among the 100 businesses surveyed were Toyota Motor Corp., Matsushita Electric Industrial Co., Mitsubishi Heavy Industries Ltd., Nippon Steel Corp., Canon Inc., Nippon Oil Co., Kajima Corp., Nippon Telegraph and Telephone Corp., Japan Airlines Co., Mitsubishi Corp., Mitsukoshi Ltd., Dai-Ichi Kangyo Bank and Nomura Securities Co.

Clinton's Foreign Policy 'Team', Goals Viewed

OW0301014593 Tokyo KYODO in English 0112 GMT 3 Jan 93

["News Focus" feature by Antonio Kamiya]

[Text] Washington, Jan. 3 KYODO—President-elect Bill Clinton has finally assembled an international affairs team for his administration but his foreign policy goals are still fuzzy.

As the first president elected since the end of the cold war, Clinton faces new challenges in a world where ethnic and religious conflicts overshadow the threat of nuclear war and issues of trade and technology and supplant debates about military alliances.

But with a weak economy and a host of knotty problems ranging from education to health care, Clinton has mapped out a "mandate for change" that has focused primarily on the domestic agenda.

And the American electorate does not seem to mind. Foreign policy was not a major issue in the presidential campaign and Clinton has been content to let President George Bush call the foreign policy shots—such as military intervention in Somalia—even in the waning days of his presidency.

For the first 100 days of his administration, Clinton cheerily declared right after the election, he will zero in on the domestic economy like a "laser beam." His priorities were also evident from the order in which he named members of his cabinet.

The foreign policy team Clinton unveiled December 22 came after he completed most appointments related to domestic affairs.

Although Clinton says world affairs today demand "bold new thinking" in foreign policy, he has picked a foreign policy team mostly of experienced, loyal, and generally like-minded friends and advisers who he apparently hopes he can count on not to get him into trouble abroad while he focuses on problems at home.

Warren Christopher, Clinton's choice for secretary of state, is a case in point. A deputy secretary of state in the Jimmy Carter administration, Christopher, 67, in the past won the plaudits for his skills as a negotiator rather than as an originator of policy.

"We have heard very little from Warren Christopher in the years since he left the State Department about his view of the world. If indeed [he] holds strong views he has managed to keep them secret," said former Assistant Defense Secretary Richard Perle.

If Christopher has managed to keep his foreign policy thoughts close to his chest, his future boss at the White House is a complete newcomer when it comes to world affairs.

Clinton, who was governor of the small state of Arkansas for 12 years before bursting onto the national scene, gave four major foreign policy speeches during his yearlong presidential campaign but his ideas received little serious examination from his rivals.

In areas where his proposals were tested, Clinton soft-pedaled.

One example was his proposal to create an "Economic Security Council" at the White House, similar in status to the National Security Council, to coordinate U.S. international economic policy.

When Clinton unveiled his economic team, he softened the image and called it instead the "National Economic Council"—after critics argued that a National Security Council would convey an image of warfare in international economic issues. [sentence as received]

Another example was Clinton's hard-line policy on China during the election campaign, in which he accused Bush of "coddling tyrants" in Beijing. Since the election, Clinton has said repeatedly that he has no intention of isolating Beijing.

Regardless of the sparsity of Clinton's pronouncements on foreign policy issues one thing seems certain: With the cold war over, commercial diplomacy will move to center stage.

The appointment of Berkeley economist Laura Tyson as chairman of the Council of Economic Advisers, the White House think tank, is widely seen as reflecting the need to cope with that change.

Although Tyson, as the top economic adviser to Clinton, will not directly participate in negotiations with foreign trade partners, she will probably be the guru in setting the intellectual framework of Clinton's international economic policy.

By choosing Tyson, Clinton has departed from the tradition of choosing an economist on macroeconomic policies: Tyson is a trade expert, a champion of more government intervention in smoothing the way of trade.

Beyond economics, Clinton's priorities in foreign policy are straightforward: Promoting democracy, preventing the spread of weapons of mass destruction and preventing the degradation of the global environment.

"The end of the cold war is a wonderful development bringing freedom to millions of people and hope to many more," Clinton said in announcing his choice of the international affairs team.

"But the progress has mixed with new challenges, new dangers and new opportunities," he said.

Alan Tonelson, a researcher at the Economic Strategy Institute, a Washington-based think tank, said, "Although Bill Clinton was elected president on a platform of domestic renovation, he knows that he will not be able to avoid foreign policy challenges."

Tokyo Plans Loans for Kazakhstan, Kyrgyzstan

OW0401072293 Tokyo KYODO in English 0650 GMT 4 Jan 93

[Text] Tokyo, Jan. 4 KYODO—Japan plans to provide loans to the former Soviet republics of Kazakhstan and Kyrgyzstan this year in coordination with the World Bank, government sources said Monday [4 January].

They said the government is considering loans of up to 100 million dollars each to the two central Asian countries.

Details of the assistance will be decided after a survey team from the Foreign, Finance, and International Trade Ministries visits the two countries in early February, the sources said.

The mission also is scheduled to visit neighboring Uzbekistan to assess the prospects of Japan granting technological aid, the sources said.

The sources said the loans to the two nations will be pledged officially before the Tokyo summit of seven Western economic powers in July.

The Paris-based Organization for Economic Cooperation and Development (OECD) placed five central Asian countries, including Kazakhstan and Kyrgyzstan, on a list of countries eligible for official development assistance last November, prompting Japan to consider loans to them.

The creditor nations to Kazakhstan and Kyrgyzstan have agreed to step up financial aid on condition they work out economic restructuring programs in cooperation with the International Monetary Fund.

The World Bank is expected to extend a loan of several hundred million dollars to the two countries to finance industrial and agricultural projects after the economic programs are completed around next spring, the sources said.

'Senior' Greek Official Arrives 5 Jan

OW0501115393 Tokyo KYODO in English 1014 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—A senior Greek official arrived in Japan on Tuesday to urge Tokyo not to support the quest of the former Yugoslav republic of Macedonia to become a member of the United Nations, a Foreign Ministry spokesman said.

Viron Polidhoras, Greece's deputy foreign minister, who will be staying in Japan through Friday, is scheduled to meet with Vice Foreign Minister Hisashi Owada on Thursday, spokesman Masamichi Hanabusa said.

Hanabusa told reporters Polidhoras will solicit Japanese support for Greece's aim of keeping Macedonia isolated from the international community until it changes its name.

Greece accuses Macedonia of usurping the name of an ancient Greek territory. It says a name change is also necessary to guard against future territorial claims on the northern Greek province of Macedonia.

Japan, which is chairing the U.N. Security Council during January, has already assured Macedonia that the issue of the republic's admission to the world body will be on the month's agenda.

Hanabusa said Japan deems it premature to bilaterally extend diplomatic recognition to Macedonia, noting European Community (EC) countries have yet to do so.

After strong Greek pressure, EC leaders decided at their summit conference in Lisbon last June not to recognize Macedonia unless it changed its name.

Watanabe Urges Peacekeeping Role Revision

OW0201091693 Tokyo KYODO in English 0850 GMT 2 Jan 93

[Text] Otawara, Tochigi Pref., Jan. 2 KYODO—Foreign Minister Michio Watanabe on Saturday urged revision at the next regular Diet session of a law limiting the Self-Defense Forces (SDF), now serving as U.N. peacekeepers in Cambodia, to noncombatant roles.

Watanabe said the provision against possible military action "obstructs the activities (of the SDF) in Cambodia." The 150-day regular Diet session convenes on January 22.

The Diet last June enacted the United Nations Peace Cooperation Law authorizing SDF participation in U.N. peacekeeping operations.

Under the law, up to 2,000 personnel, mainly from the SDF, may join U.N. peacekeeping units involved in logistics, medical aid and other noncombat duties.

More hazardous operations—such as separating warring armies during ceasefires—require prior Diet approval and even then could not be undertaken without the passage of separate legislation.

The government approved a plan last September to send more than 1,800 military and civilian personnel to Cambodia as peacekeepers. A 600-member engineering corps has been charged with road and bridge repair in the war-torn country.

"If (opposition parties) say the Constitution hampers (Japanese participation in U.N. peacekeeping forces), we have only to alter that (constitutional) provision," he told the gathering of supporters in his constituency of Tochigi Prefecture.

Japan's postwar Constitution renounces the use of force to settle international disputes.

"Japan would be made a permanent member of the United Nations Security Council with dignity," if it stepped up personnel contributions to U.N. peacekeeping activities, he said.

Advocates Expanded Role for SDF

OW0501060293 Tokyo KYODO in English 0429 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Foreign Minister Michio Watanabe said Tuesday Japanese public opinion should be molded to accept expanded participation by the Self-Defense Forces (SDF) in United Nations peacekeeping and peacemaking efforts abroad.

Watanabe, speaking in his first news conference of the year, also said the SDF should be equipped with more long-range transport aircraft and ships to enhance its ability to contribute materials and personnel for U.N.-led efforts.

Japan has long forgone acquisition of such equipment because of concerns by Asian neighbors over any indications that Tokyo might be trying to increase its capability to extend its power.

Watanabe said it is the "great mission" of the SDF to expand its role beyond national defense to encompass such tasks as provision of humanitarian relief and maintenance of global peace and security.

"While there may be various legal obstacles...amendments that can be made should be made," he said.

Watanabe also said a "flexible interpretation" of Japan's Constitution would facilitate an expanded international role for the SDF.

SDPJ Proposes Compensation for War Sufferers

OW0301101393 Tokyo KYODO in English 0921 GMT 3 Jan 93

[Text] Tokyo, Jan. 3 KYODO—Japan's main opposition party proposed Sunday establishing an ad hoc committee in both houses of the legislature to consider its apology and compensation to countries which suffered from Japanese militarism during World War II.

The Social Democratic Party's [SDPJ] proposal urges other political parties to jointly consider how to apologize and compensate toward victims.

The No. 1 opposition party called for compiling a compensation plan by 1995, the 50th anniversary of Japan's surrender to allied powers.

The call urges the government to interview survivors, who claim they were wronged by Japanese during the war, to find out the extent of damage inflicted on them.

Last year, Japan faced a series of demands for compensation from Asian women, particularly from the Korean peninsula, who said they were forced to provide sex to Japanese soldiers at frontline brothels during the war.

Some historians estimate there were about 100,000 to 200,000 "comfort women" at military brothels. They were mostly from Korea, then under Japan's colonial rule.

The Japanese Government maintains that historical documents examined so far have provided no evidence that those women were forcibly recruited to work in frontline brothels.

Plutonium-Laden Ship Docks 5 Jan

OW0501122993 Tokyo KYODO in English 1208 GMT 5 Jan 93

[Text] Tokai, Ibaraki Pref., Jan. 5 KYODO—A Japanese plutonium-carrying ship entered port Tuesday amid tight air-and-sea security and waves of demonstrations opposing the shipment of a ton of the weapons-grade nuclear substance from Europe.

Completing a 58-day voyage from France, the Akatsuki Maru docked in Tokai port shortly before 7 A.M. Tuesday near the site of a major nuclear power complex in the village of Tokai, some 140 kilometers northeast of Tokyo.

Workers completed the unloading of eight out of the 15 plutonium containers from the vessel and transfered them to a nuclear fuel processing facility two kilometers away.

The unloading and transportation of the remaining containers was suspended at sunset bcause of a lack of night lighting at the port, officials said.

About 500 antinuclear activists and labor union members staged demonstrations near the harbor against the unloading of the containers. Antinuclear and environmentalist groups are strongly opposed to the shipment of plutonium, mainly for safety reasons.

Police mobilized about 1,000 officers to patrol the port and the surrounding area, while the Maritime Safety Agency deployed 69 patrol boats and five helicopters to escort the vessel to its mooring.

After the plutonium ship docked, the Maritime Safety Agency sealed off the port's entrance with a barrier to keep out antiplutonium vessels that had tried to approach the Akatsuki Maru during its entry.

Japan plans to use the plutonium as fuel for its fast-breeder reactor program.

Officials have said plutonium will be one of the key elements of Japan's nuclear policy aimed at establishing a complete nuclear fuel cycle, including extraction of plutonium from spent nuclear fuel from nuclear power stations.

The gray containers holding the plutonium were placed on specially designed trailers for transport to a fuel facility run by Japan Nuclear Power Co. (JNP), a state-owned firm charged with handling Japan's plutonium supply.

Antiplutonium demonstrators held dozens of banners reading "We Don't Need Plutonium" and chanted slogans while beating drums.

Members of the international environmentalist organization Greenpeace monitored the unloading from the chartered yacht MV Exstasea A, which anchored near the port.

Greenpeace spokeswoman Barbera Van der Hoek, speaking by telephone from the Exstasea A, said her organization opposes the production and transport of plutonium for safety reasons and because a Japanese stockpile of the substance would encourage other nations to follow suit.

"If it gets into the air, it can do damage to the genetic pool of human beings and animals," she said.

At a press conference at Tokai, the head of the state-run Power Reactor and Nuclear Fuel Development Corp., said opposition to the transport of the plutonium indicated that Japan had not made sufficient effort to gain the understanding of many other nations for its nuclear power policy.

Takao Ishiwatari said, "We will make the most of this experience to explore the points of overlap between domestic and overseas understanding and security for nuclear substances."

Ishiwatari said that to meet the requirements of the nation's nuclear power program, the next shipment of plutonium would be made three to five years from now.

The Akatsuki Maru, with a gross tonnage of 4,800 tons, was returning from its 32,000-kilometer voyage 134 days after it left Yokohama for Cherbourg in France in late August.

Prime Minister Kiichi Miyazawa welcomed the vessel's arrival, saying "We're glad that (the ship) returned without accident."

"We also have to thank the French and U.S. Governments for their support," he told a group of reporters at his official residence.

Science and Technology Agency Director General Mamoru Nakajima told a news conference the Akatsuki Maru's voyage proved that plutonium can be transported safely.

After strict security checks, some 200 of the 361 journalists covering the event were allowed entry to the Japan nuclear power's nearby fuel processing plant.

The Akatsuki Maru's cargo is the first of about 30 tons of plutonium scheduled for transport to Japan from Europe in the next decade as Japan will not have its own commercial reprocessing facilities before the year 2000.

This first shipment of plutonium is destined for use in the prototype fast-breeder reactor "Monju" in Tsuruga, Fukui Prefecture, on the coast of the sea of Japan, officials said.

Monju is expected to reach its critical stage in autumn, about six months later than originally scheduled.

The schedules and routes for future plutonium shipments from Europe to Japan will be kept secret to prevent hijackings at sea despite heavy criticism by environmentalists and civic groups.

Greenpeace monitored the Akatsuki Maru, which was escorted during its return voyage by the armed patrol boat Shikishima, for much of its journey from France via the Cape of Good Hope in South Africa.

The ship is known to have then sailed south of Australia and veered north to traverse the Tasman Sea and the Pacific Ocean.

Official on Successful Arrival

OW0501145193 Tokyo NHK General Television Network in Japanese 1000 GMT 5 Jan 93

[Mamoru Nakajima, director general of the Science and Technology Agency, speaks at a news conference held at Tokai-mura in Ibaraki Prefecture on 5 January.]

[Begin Nakajima recording] The plutonium shipment has been the subject of various arguments and a topic of interest both here and abroad. We have, however, just completed the shipping operation on schedule and in accordance with transportation regulations. With the issue of the plutonium shipment fresh in our minds, and taking into consideration the wide interest that has been shown in Japan's peaceful use of plutonium, we would like to take every effort to win the understanding of people at home and abroad. [end recording]

Demonstrations Greet Arrival

OW0501062893 Tokyo KYODO in English 0414 GMT 5 Jan 93

[Text] Tokai, Ibaraki Pref., Jan. 5 KYODO—A Japanese ship loaded with a cargo of plutonium from Europe for use in a prototype fast-breeder reactor was greeted with demonstrations on its arrival at Tokai port 140 kilometers northeast of Tokyo on Tuesday morning.

About 500 antinuclear activists and labor union members staged demonstrations near the harbor against the unloading of 15 containers containing a ton of reprocessed plutonium.

Demonstrators held dozens of banners reading "We don't need plutonium" and chanted slogans while beating drums. The international environmentalist organization Greenpeace flew an advertisement balloon from the chartered yacht Exstasea A anchored near the port.

The Akatsuki Maru, which has a gross tonnage of 4,800 tons, was returning from its 32,000 kilometer-long voyage 134 days after it left Yokohama port for Cherbourg in France in late August.

Prime Minister Kiichi Miyazawa welcomed the vessel's safe arrival. "We are glad that (the ship) returned without an accident. We also have to thank the French and the U.S. Governments for their support," he told a group of reporters at his official residence.

The Akatsuki Maru's crew was welcomed by several officials but they refrained from staging an official ceremony to avoid arousing further controversy.

After the plutonium ship docked at Tokai port, the Maritime Safety Agency (MSA), which deployed some 69 boats and five helicopters to maintain security, sealed off the port's entrance with a barrier to keep out Greenpeace vessels that tried to approach the Akatsuki Maru during its entry.

Police mobilized about 1,000 officers to patrol Tokai port, the exclusive harbor of Japan Nuclear Power Co. (JNP), a state-owned company handling Japan's plutonium supply, and the surrounding area.

After strict security checks, some 200 of the 361 journalists covering the event were allowed entry to the JNP's nearby fuel manufacturing plant, where the controversial cargo will be taken.

Workers started unloading the 15 gray containers holding the plutonium packed in 130 sealed casks. Their transport to the JNP facility two kilometers away on specially designed trailers is expected to start Tuesday afternoon.

If the transfer of the plutonium casks is not finished by sunset, the work will be suspended for the night and resumed Wednesday morning due to the lack of night lighting at the port.

The Akatsuki Maru's cargo is the first of about 30 tons of plutonium scheduled for transport to Japan from Europe in the next decade as Japan will not have its own commercial reprocessing facilities before the year 2000.

This first shipment of plutonium is destined for use in the test fast-breeder reactor Monju in Tsuruga, Fukui Prefecture, on the Sea of Japan coast, expected to reach its critical stage in the fall, about six months later than originally scheduled.

The schedules and routes for future plutonium shipments from Europe to Japan will be kept secret to prevent hijackings at sea despite heavy criticism by environmentalists and concerned citizens.

Before the voyage, many countries voiced concerns over the route since their territorial waters might have been affected if the plutonium had leaked.

Greenpeace monitored the Akatsuki Maru, which was escorted during its return voyage by the MSA patrol vessel Shikishima, for much of its journey south from France via the Cape of Good Hope in South Africa.

The ship is known to have then sailed south of Australia and veered north to traverse the Tasman Sea and the Pacific Ocean.

JNP had said it would release hitherto secret information on the ship's route after its arrival.

Paris Talks on Cambodia's Angkor Wat Announced

OW0501121093 Tokyo KYODO in English 1058 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Japan and France will cosponsor a preparatory meeting in Paris January 21-22 for a future high-level conference on restoration aid for Cambodia's ancient Angkor Wat Temple complex, a Foreign Ministry spokesman said Tuesday.

Fourteen countries and two United Nations agencies are expected to take part in the meeting, spokesman Masamichi Hanabusa said.

Hanabusa told reporters the meeting will lay the groundwork for a more senior-level conference to be held in Japan later. He did not specify a date.

The spokesman said Japan will send a survey team to Cambodia from January 7 to 11 to gather additional information for the preparatory conference.

The Angkor complex, located in the northwestern province of Siem Reap, consists of hundreds of Buddhist and Hindu edifices dating from the ninth to 12th centuries, including the famed Angkor Wat.

The buildings have survived encroaching tropical vegetation, water problems, vandalism and looting during war.

Watanabe on Support for Next Miyazawa Term

OW0201064893 Tokyo KYODO in English 0630 GMT 2 Jan 93

[Text] Otawara, Tochigi Pref., Jan. 2 KYODO—Foreign Minister Michio Watanabe on Saturday expressed conditional support for a second term for Prime Minister Kiichi Miyazawa whose two-year presidency of the ruling party expires September 30.

"If our opinions are listened to, I wouldn't mind Prime Minister Miyazawa holding on to power (as premier)," the minister told a gathering of supporters in his home constituency of Tochigi Prefecture.

Watanabe, who concurrently serves as deputy prime minister, leads the ruling Liberal Democratic Party's [LDP] third-largest faction, comprising 67 legislators.

The minister became the third LDP faction leader to express support for Miyazawa's bid to stay in power, following Keizo Obuchi, leader of the 63-member Obuchi faction, and Hiroshi Mitsuzuka, leader of the 74-member Mitsuzuka faction.

Watanabe, who was the runner-up to Miyazawa in the 1991 LDP presidential election, has been acting as Miyazawa's chief backer by accepting Miyazawa's offer of the posts of deputy premier and foreign minister.

The LDP presidency carries with it the prime ministership due to the LDP's commanding majority in the 512-member House of Representatives and the constitutional requirement that the Diet select the premier from among its members.

Watanabe told the meeting, "When I reach a judgment that I can no longer entrust this nation (to Miyazawa), I will run (for the LDP presidency), whether or not I will win election."

Watanabe said he would finalize his conclusion on whether to run for the presidency when the election becomes imminent.

The minister, 69, said his age does not compel him to seek the premiership (yet), citing the example of Miyazawa who attained the premiership at the age of 72.

Watanabe may sit on the fence for a while and try for the prime ministership after Miyazawa completes his second term, he said.

Shift to Environment-Protective Economy Urged

OW0201081493 Tokyo KYODO in English 0739 GMT 2 Jan 93

[Text] Tokyo, Jan. 2 KYODO—The Social Democratic Party of Japan (SDPJ) on Saturday unveiled draft bills urging a shift from the present growth-oriented economy to an economic system that preserves the environment.

The largest opposition party plans to submit the bills to the upcoming 150-day regular Diet session slated to start later this month, party officials said.

Prerequisites for avoiding further deterioration of the world's environment are closer international cooperation, promotion of disarmament and peace, and more emphasis on local government and the participation of citizens, the bills say.

The SDPJ wants to set restrictions on emissions of greenhouse gases such as carbon dioxide in order to stop global warming—also known as the greenhouse effect—and to oblige the government to draw up a nationwide plan on energy demand.

The bills urge the government to carry out environmental impact assessments on all projects to which Japan's official development assistance is extended and call for stronger participation of local governing bodies in environment protection by allowing them to tighten environmental standards independently by issuing local ordinances, party officials said.

Yamahana Declares SDP Leadership Candidacy

OW0401083193 Tokyo KYODO in English 0758 GMT 4 Jan 93

[Text] Tokyo, Jan. 4 KYODO—Social Democratic Party (SDP) Secretary General Sadao Yamahana declared his candidacy for the chairmanship of Japan's leading opposition party on Monday to succeed outgoing Makoto Tanabe.

Yamahana, 56, who has held the SDP's No. 2 post since July 1991, has been looming as the most likely successor to Tanabe, who abruptly announced last month he was stepping down as chairman of the SDP's leadership body, the Central Executive Committee.

His candidacy will be accepted on Wednesday. If there are no other candidates, Yamahana will automatically become chairman without an election.

An estimated 130,000 full and associate party members across the nation will cast ballots on January 15 and 16 if there are two or more candidates. Vote counting is slated for the following day.

The SDP will hold an extraordinary party convention January 19 to confirm the new leader.

In announcing his resignation at a press conference December 24, Tanabe, 70, said he hoped his resignation would help boost the party's chances in the next general election, expected sometime in 1993, and he said there was a need for a generational change in the SDP leadership.

It is widely believed, however, that Tanabe's resignation came after fierce criticism within party ranks and from the public about his close association with disgraced Liberal Democratic Party kingpin Shin Kanemaru.

While Tanabe is a right-winger in the SDP, Yamahana leans to the left in the political spectrum.

Economic Organizations Urge Political Reforms

OW0401090293 Tokyo KYODO in English 0838 GMT 4 Jan 93

[Text] Tokyo, Jan. 4 KYODO—Two major Japanese business organizations urged the government Monday to push ahead with political reforms and economic recovery.

The Federation of Economic Organizations (Keidanren), in its action program for 1993, called for political reforms to restore the public's trust in politics that has been damaged by a series of scandals.

The federation pledged it will cooperate actively in the establishment of a new world order in the wake of the end of the cold war.

It urged the government to implement fiscal and financial measures, including a revision of the tax system, to promote an economic recovery based on domestic demand.

The Japan Association of Corporate Executives (Keizai Doyukai), in a New Year message, appealed to the government to take flexible financial steps, including an interest rate reduction, to stimulate the economy.

The association also called for political reforms and an overhaul of the tax system to eliminate revenue shortfalls.

The association called on the government to open the Japanese market wider to imports before the Tokyo summit of seven Western economic powers in July.

Miyazawa Hints at 'Early' Extra Budget

OW0501060493 Tokyo KYODO in English 0422 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Prime Minister Kiichi Miyazawa indicated Tuesday that the government will formulate another pump-priming package before long to bring the lackluster economy to life.

Speaking at the year's first cabinet meeting, Miyazawa said, "(The government) will take whatever measures are necessary, without being restricted by tradition."

His comments are viewed as showing his readiness to compile another supplementary budget to augument the expected bolstering effects for the economy of the fiscal 1993 budget, which features a sizable boost in public works spending despite its overall emphasis on belt-tightening.

With the economy continuing in the doldrums, economic analysts have been pressing for another major pump-priming move even before the new fiscal year's budget has been put into effect.

Miyazawa was hopeful of a substantial boost to the economy from the 72.4 trillion yen budget, urging its early passage through the Diet, which opens its next session on January 22.

"I believe the supplementary budget which cleared the Diet last autumn will have its effects felt over the next several months. I hope the fiscal 1993 budget will augument the effects," he told cabinet memebers.

Yohei Kono, chief cabinet secretary, however, cast a damper on expectations Miyazawa's remarks sparked, saying that the premier just meant that the next year's budget should be quickly approved.

Economic Planning Agency (EPA) chief Hajime Funada, however, admitted the possibility of additional economic measures if necessary.

While stressing the need to closely monitor the effects of the steps the government has taken so far, Funada told a post-cabinet meeting news conference that "this doesn't mean that these (the steps) alone are enough, though."

"It will be a matter of course for us to do everything we can if economic indicators do not pick up in the coming months," he said.

The EPA chief, however, was vague about the timing of the possible extra measures.

"It could be after the fiscal 1993 budget has been passed by the Diet, or around June when business reports for the current fiscal year have mostly come out, or any other time," he said.

Funada also failed to predict when the economy will finally pull itself out of the current downcycle, saying, "I cannot clearly say it will be July or August at present. But we want to declare a recovery at the summit meeting of major industrial nations (in Tokyo in July)."

Funada also said the last "heisei" economic boom ended in the first quarter of 1991, admitting that the expansion, which lasted for 50 months, failed to surpass the postwar record 57-month economic growth seen during the 1960s.

Business Leaders Urge Pump-Priming Steps

OW0501114793 Tokyo KYODO in English 1008 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—The top leaders of four major Japanese business organizations called on the government Tuesday to take additional pump-priming measures in view of the gloomy outlook for the domestic economy.

The business leaders made the appeal at a joint news conference following an annual New Year party they hosted at a Tokyo hotel Tuesday afternoon.

Rokuro Ishikawa, chairman of the Japan Chamber of Commerce and Industry, expressed hope that the government will issue national bonds to raise funds for additional economic stimulative measures, including an income tax cut and reduction of the official discount rate, after the fiscal 1993 budget is passed by the Diet.

Ishikawa said a swift recovery of the domestic economy seemed unlikely.

Takeshi Nagano, president of the Japan Federation of Employers Associations (Nikkeiren), called on corporate executives to expedite restructuring by trimming production capacity and personnel costs that swelled during the "bubble economy" in the late 1980's.

Nagano said it would be difficult for employers to offer wage hikes next spring.

The four business leaders also called for political reforms and reorganization of political parties into two major conservative groups each capable of taking the reins of government.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said the Federation will continue to support parliamentary democracy and actively support the emergence of a two-party system.

Hiraiwa also called for a cut in the official discount rate and corporate and income tax cuts to help stimulate the economy.

Masaru Hayami, chairman of the Japan Association of Corporate Executives (Keizai Doyukai), urged the government to carry out a tax cut as a means to stimulate domestic demand.

Japan will come under growing criticism from overseas if it continues to pile up trade surpluses, he added.

Overseas Mergers, Acquisitions Decline in 1992

OW0501120793 Tokyo KYODO in English 1040 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Mergers and acquisitions of foreign corporations by Japanese enterprises fell back to the 1986 level in 1992 due mainly to the unfavorable investment climate in the United States, according to a major Japanese brokerage house.

Yamaichi Securities Co. said a survey it conducted last year showed mergers and acquisitions by Japanese corporations totaled 477 cases worth 550 billion yen, down 22.3 percent in number and 44.2 percent in value from the year before.

The equivalent figures for 1986 were 451 cases worth 544.6 billion yen, the company said.

Mergers and acquisitions between Japanese corporations totaled 257 cases, down 14.9 percent from the year before, while those of foreign enterprises by Japanese firms accounted for 183 cases, down 37.8 percent, the company said.

It said the number of Japanese companies acquired by foreign enterprises grew 105.6 percent to 37.

The figures showed that Japanese corporations grew cautious about investment overseas mainly because of the worsened investment climate in the United States and fund-raising difficulty at home.

Most Japanese takeover activities were apparently aimed at overcoming the worsening business climate rather than seeking profits.

Vehicle Sales Fall 7.2 Percent in 1992

OW0501063693 Tokyo KYODO in English 0604 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—Sales of new car, trucks, and buses in Japan in 1992 fell 7.2 percent from the year before to 5,333,785 vehicles, down for the second straight year, the Japan Automobile Dealers Association said Tuesday. Sales of passenger cars fell 8.6 percent to 3,679,832, also the second straight yearly fall. The figure does not include minicars.

It said sales of passenger cars with an engine capacity of over 2000 cc [cubic centimeters] rose 7.6 percent to 713,828 but those of cars below 2000 cc plunged 11.8 percent to 2,966,004. Sales of trucks totaled 1,632,376, down 3.6 percent, and those of buses dropped 9.3 percent to 21,577. Sales of imported cars fell 7.7 percent to 184,616.

Eight of Japan's 11 major automakers reported sales declines. Toyota Motor Corp. saw its sales fall by 5.4

percent from the year before to 2,228,898, Nissan Motor Co. by 10.8 percent to 1,199,414, and Honda Motor Co. by 7.3 percent at 404,451.

The three companies reporting a growth in sales were Mitsubishi Motors Corp., whose sales grew 3.0 percent to 494,149, Fuji Heavy Industries Ltd. up 0.1 percent 84,427 and Suzuki Motor Corp. up 19.0 percent to 54,245.

In December, sales totaled 388,902 vehicles, down 8.2 percent from a year earlier and down 10.4 percent from the previous month.

Passenger car sales in December were down 8.1 percent at 277,296, trucks down 8.4 percent at 110,568, and buses plummeted 30.0 percent to 1,038, the association said.

Murata Urges New Capital Site Selection

OW0301055393 Tokyo KYODO in English 0518 GMT 3 Jan 93

[Text] Tokyo, Jan. 3 KYODO—A site for a new capital replacing Tokyo should be determined in three years by some type of public vote or consensus, Home Affairs Minister Keijiro Murata says.

"I personally think the site for the new capital should be decided on within three years. I want the decision to be made through a method like, for example, a referendum, or others measuring the consensus of the people," Murata said in an interview with KYODO News Service.

He also said the new capital must be built where large amounts of land can be obtained, and water and greenery is abundant, adding that being close to an international airport and Tokyo is also an important factor in selecting the place.

Murata, as chairman of the House of Representatives Special Panel on Capital Relocation, spearheaded efforts to successfully pass a bill in the last Diet session for the transfer of capital functions outside Tokyo.

Taking a dim view of the current overconcentration in Tokyo, the home affairs minister said the capital relocation will contribute to removing the ill effects of the inflow of people, goods, money and information into Tokyo.

Murata said the government will set up a panel at the prime minister's office to handle such details of the move as setting guidelines for selecting a venue for the new capital and setting a target in moving the capital from Tokyo.

"Creating a new capital will bear great significance to political reform," he said.

Electronics Firms Taking 'Cautious' Approach

OW0401035393 Tokyo KYODO in English 0047 GMT 4 Jan 93

["News Focus" feature by Kohei Murayama]

[Text] Tokyo, Jan. 4 KYODO—The next blockbuster electronic gadget may come as a surprise to consumers as Japanese electronics makers are taking a cautious—or rather tight-lipped—approach in combining new technologies in the production of a portable, pocket-size communications device.

That's not how Japanese used to sell—quickly riding the bandwagons of new products and adding on novel high-tech functions.

Indeed, they are starting to change. The follow-the-leader strategy has resulted in markets flooded with confusing, identical lines of high-technology products, which often end up functionally old in a matter of weeks or even days.

And now, in an unprecedented business slump of nearly two years, is not the time to speak loudly of new products, experts say.

To hit billion sellers, "the industry must first restructure," said Noboru Ishihara, chief analyst at the Nomura Research Institute (NRI).

American Telephone and Telegraph Co. (AT and T) announced an alliance in November with two Japanese computer giants for developing uses for its new Hobbit microprocessor.

AT and T said a new product it calls the "personal communicator" developed from the microprocessor, will revolutionize the computer and communications markets.

"It is more than exciting...A brand new communications world," William Warwick, president of AT and T Microelectronics, told reporters, predicting as many as a billion of the devices on the market in two years.

Hobbit is a microprocessor designed to form the brain of mobile, hand-held communications device that will be easy to use and will function like a portable telephone and fax machine with the power of personal computers while recognizing handwriting and voices. It runs on a low 3.3 volts and operates five times faster than Intel Corp.'s 486DX chip popularly used in personal computers.

All these features cover developments added separately into new products over the past two years. This seems to be why the two Japanese partners—Toshiba Corp. and NEC Corp., failed to present a clear strategic picture for marketing the new device.

Masaichi Koga, Toshiba senior vice president, limited his works to "pen-input type" and a spokeswoman told KYODO News Service after a month that there is nothing new to speak of. Toshiba started marketing the Dynanote series of portable pen-based computers earlier in 1992.

Also on a low-key note, Yukio Mizuno, NEC executive vice president, said Hobbit matched NEC's business direction of combining computers and communications. Its own pen-based computer is already out overseas and will be ready soon for Japan.

The same goes for a hand-held, pen-based device developed by Apple Computer Inc. of the Unites States, the same concept as AT and T's but is functionally focused on computing rather than communications.

After a four-year publicity campaign, Apple plans to release its new product "personal digital assistance" (PDA), code-named "Newton," in 1993.

However, its Japanese partner, Sharp Corp., has already launched a similar product, called PV-F1 in Japan and OZ9600 Wizard in the United States, marketing it as an improved version of its electronics business organizers. Sharp even plans to produce and sell Newton in Japan separately.

Other electronics giants like Hitachi Ltd., Sony Corp., Matsushita Electric Industrial Inc. and Casio Computer Co. are also keeping their voices down, although they have joined either directly or indirectly with one of the two U.S. firms or with both, like Toshiba.

Apparently, they want to power up their products by engineering their technologies into a pocket-sized gadget ready for vigorous advertising as something new.

"One of those is flash memory for storing data," said Kiyo Ohta, analyst at the NRI. His view is indeed backed up by spreading tie-ups between Japanese and U.S. firms.

They include Sharp and Intel Corp., Toshiba and International Business Machines Corp., Fujitsu Ltd. and Advanced Micro Devices Inc., and Oki Electric Industry Co. and U.S. Catalyst Semiconductor Co.

Flash memory is a low-cost, power-efficient type of electrically erasable programmable read-only memories (EEPROMS) that can keep data without power.

A fingertip-size flash memory chip will be as powerful as a matchbox-size magnetic hard disk drive commonly used as a built-in storage device for notebook computers, and flash memory cards are already spreading to replace floppy disks as an external device.

Four-megabit flash memory chips are already on the market but the advance chip will prove its performance with a 16-megabit type set for release in 1993, said Masayoshi Nakane of Toshiba which leads in the new memory chip marketing Japan. A single 16-megabit chip can hold data equivalent to about 64 pages of English-language newspapers.

The market will probably see a 32-megabit type in 1994 and a 64-megabit chip in 1995, with advances after that at a much faster pace, said Nakane, senior manager of Toshiba's Semiconductor System Engineering Center.

North Korea

KYODO: New Restrictions Imposed on Movement of Foreign Residents

OW0501113893 Tokyo KYODO in English 1121 GMT 5 Jan 93

[Text] Beijing, Jan. 5 KYODO—North Korea has imposed stringent new restrictions on resident foreign nationals, curbing both their freedom of movement and access to information, an informed source said Tuesday [5 January].

Under the new regulations, all trips outside the capital of Pyongyang must be approved in advance by the Foreign Ministry or other relevant authorities, the source said.

This includes planned excursions to Nampo, a coastal resort some 55 kilometers west of Pyongyang which is a popular weekend destination for foreign diplomats and businessmen.

In the past, foreigners could freely use the road to Nampo, but from January 1 even those with business interests in the city must apply for permission before each visit.

The source, who recently returned from Pyongyang, said the foreign community in Pyongyang has been informed by authorities that the new regulations are designed "to better safeguard the security of foreigners."

In another development, foreign embassies, offices, and correspondents have been told they may only subscribe to two Korean-language newspapers in the future, the source said.

Henceforth, foreigners may only subscribe to the ruling Korean Worker's Party paper, the NODONG SINMUN, and the government's official mouthpiece, the MINJU CHOSON.

Four other newspapers and magazines which were previously available to foreign subscribers, including the PYONGYANG SINMUN and the NODONG CHONGNYON, are now off limits, the source said.

The Foreign Ministry told subscribers the four newspapers will no longer be published in 1993, but foreign diplomats suspect authorities simply want to restrict their access to information.

The NODONG CHONGNYON Is an important propaganda vehicle for Kim Chong-il, the son of president Kim Il-song, and diplomats say he would not support the paper being closed down.

The move is seen rather as an isolationist measure to limit foreign access to North Korea.

This argument has been lent credence by a recent decision by the international post office in Pyongyang to stop accepting overseas orders for any North Korean periodicals, the source said.

Daily Says Team Spirit Incompatible With Accord

SK0301093693 Pyongyang KCNA in English 0847 GMT 3 Jan 93

["Nuclear War Game Is Incompatible With Implementation of North-South Agreement"—KCNA headline]

[Text] Pyongyang January 3 (KCNA)—The South Korean authorities must apologize to the nation for their intention to resume the nuclear war manoeuvres with outside forces against their dialogue partner, breaking the promise they made to the fellow countrymen so as to bring dark clouds to the prospect of the implementation of the North-South agreement, and withdraw the decision to resume the manoeuvres, says NODONG SINMUN in a by-lined article today.

Their scheme to start again the "Team Spirit" nuclear war exercises at any cost is an act foiling the inter-Korean dialogue and a declaration that they would not implement the North-South agreement and make a total showdown with the North, the article says, and continues:

Dialogue and the implementation of the North-South agreement are incompatible with confrontation and nuclear war exercises against the North. The agreement is one of the nation for dispelling distrust and confrontation and promoting reconciliation and unity between the North and the South for reunification, while the "Team Spirit" is a dangerous nuclear war game designed to attack fellow countrymen in league with outside forces.

A smooth progress of dialogue for removing distrust and confrontation cannot be expected with nuclear war exercises under way against the dialogue partner. Even if dialogue is held, no success is in store.

The keypoint of the North-South agreement is a promise to nonaggression.

If the promise is to be kept, distrust and confrontation between the North and the South should be removed, Armed Forces be reduced and any military action against the other side be put to an end.

The "Team Spirit" is a useless nuclear war gamble that disturbs peace of the country and obstructs peaceful Reunification of the country.

The South Korean rulers, well aware of great consequencies to be entailed by the "Team Spirit", are going to resume the joint military exercises. It fully shows that their talk about "dialogue", "implementation of agreement" and "unification" is a whopping lie.

The South Korean authorities must give up the design to "unify the country by prevailing over communism" with the backing of outside forces and immediately revoke the decision to resume the anti-dialogue, anti-peace, anti-reunification "Team Spirit" joint military manoeuvres.

Libyan Fishery Delegation Arrives in Pyongyang

SK0301090093 Pyongyang KCNA in English 0812 GMT 3 Jan 93

[Text] Pyongyang January 3 (KCNA)—A delegation of the Great Socialist People's Libyan Arab Jamahiriyah led by Secretary of Fishery Miftah Muhammad Ku'aybah arrived here Saturday.

It was met at the airport by Yi Song-tae, chairman of the State External Economic Affairs Commission, Chang Pong-yol, Vice-chairman of the State Fishery Commission, and the acting secretary of the People's Committee of the People's Bureau of the Great Socialist People's Libyan Arab Jamahiriyah in Korea.

Daily Highlights Kim Il-song's New Year Address

SK0201120993 Pyongyang KCNA in English 0901 GMT 2 Jan 93

["NODONG SINMUN Calls for Exalting Honour of Korean-Style Socialism"—KCNA headline]

[Text] Pyongyang January 2 (KCNA)—NODONG SINMUN today frontpages an editorial headlined "let us exalt honour of our socialism under the guidance of the party and the leader" in response to the historic New Year address of the great leader Comrade Kim Il-song.

The editorial says:

The great leader Comrade Kim Il-song's New Year address is a militant banner which guides us to smash the imperialists' manoeuvres and accomplish the socialist cause of chuche with the might of singlehearted unity and a great programme of the revolution to promote national reunification, the historical desire of our people and push ahead with the cause of anti-imperialism and independence as a whole.

The biggest success in the course of accomplishing our socialist cause last year was that our people were further tempered on revolutionary lines through a difficult and worthy struggle and the unity and cohesion of the party and the popular masses were consolidated still more.

We can say confidently that when we rely on the political and economic potentials created by our people with their own efforts under the guidance of the party and the leader, we can valiantly smash the anti-socialist moves of any enemy and accomplish the cause of our socialism.

Our people are firmly convinced that our socialism will be ever- ictorious as long as the dear leader Comrade Kim Chong-il with an experienced and tested art of leadership wisely guides the overall affairs of our party, state and Army. The great leader Comrade Kim Il-song said:

"Smashing every form of challenge and obstructive manoeuvres of the imperialists and reactionaries and defending our socialism and adding lustre to it are an honourable task which is raised before our party and people today."

"The party, the people and the army must all be united in one mind and complete the cause of socialism to the last" is a militant slogan which our party and people must put up today.

All the party members and working people must display the revolutionary spirit of self-reliance and hard work as well as mass heroism, promote socialist construction energetically and bring the advantages of our socialism into fuller play. The entire people must continue to adhere to the principle of chuche in ideology, independence in politics, self-sufficiency in the economy and self-reliance in defence, the validity and vitality of which have been clearly proved in the trials of history and promote more vigorously the three revolutions—the ideological, technical and cultural—following the general line of socialist construction without deviation.

The political and ideological unity of the popular masses is the source of our strength and the decisive guarantee of all victories.

We must vigorously promote the ideological revolution so as to equip all party members and working people firmly with the chuche idea and must further strengthen the signlehearted unity of our revolutionary ranks around the party and the leader.

We should channel our efforts into increasing the nation's defence capabilities to promote socialist economic construction energetically and firmly defend our socialism.

We must open a new phase in the struggle for national reunification this year and will remain faithful to the revolutionary principle and international duty under the banner of independence, the banner of socialism.

As long as there are the tested guidance of the party and the leader, the great chuche idea and the faithful people united around the party and the leader in one mind, our socialist cause will be ever-victorious and our victory in this year's struggle is certain.

Daily Details South's Economic Problems

SK0101103293 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 26 Dec 92

[NODONG SINMUN 26 December special article: "South Korean Economy—The End of Its Vanity and Its Dark Future"]

[Text] The true shape of the South Korean economy—which was publicized at one time as a miracle along the bank of the Han River and a business boom with the support of three favorable economic phenomena, namely low-priced imported raw materials, low oil prices, and low wages—has been uncovered completely.

At the very place where the miracle of vanity lingered, big bridges on expressways collapsed in succession, and a model small business went bankrupt just one day after it received the presidential gold prize. Those who lose their means of livelihood continue to commit suicide.

Among the sad cases of suicide that have been reported are those of a young man who failed to get a job, a head of a family who failed to find a house to live in, and a son who deplored his plight of destitution. He was unable to send his ill mother to the hospital. Moreover, there are the shocking stories about a businessman who killed himself because he failed to honor the promissory notes he issued, and a bank manager who committed suicide unable to pay the debt he owed.

Facing this miserable reality, both the shameful rulers who babbled about miracles and the stupid onlookers who were envious of the vanity, cannot help but admit the gloomy present and future of the South Korean economy.

Just as the existence of a source of earthquakes is liable to continual earthquakes, so is the South Korean economy liable to become bankrupt as long as the source of bankruptcy exists.

The South Korean economy, which is at the point of dying, does not have a chance to revive.

The consolidated and growing self-reliant national economy of the northern half of the Republic and its prosperous and developing realities of the chuche-oriented socialism present a striking contrast to the South Korean economy suffering from bankruptcy and decline.

The reality of the South Korean economy is a clear mirror reflecting the politics of those who betrayed socialism with the fantasy of a capitalist market economy.

This is why South Korean youth, students, and people have an unbendable faith that socialism is the only ideological alternative for social reform. This is why they endlessly long for, as a beacon of hope, the socialism of our own style and the great fatherland of the chuche idea that stands up boldly under any circumstances.

1. The so-called "modernization game" began in the 1960's which aimed at making South Korea a showcase of the capitalist market economy by applying Rostow's theory on the development of underdeveloped countries to South Korea, a colony of the United States.

Fanciful trumpeting about "bringing prosperity to the country through exports" and "high growth" kept ringing out in South Korea. In fact, however, the South

Korean economy has gone downhill into its present chaos, repeating endless circles of vicissitudes.

A business boom in South Korea at the end of the 1980's, when increasing exports and trade balance in black ink were publicized, vanished like a daydream. South Korea had to face an unprecedented economic catastrophe already in the early 1990's.

This stern undeniable reality made overcoming the serious economic crisis the main issue in the recent presidential campaign. But the many campaign promises made by the presidential candidates to improve the economy were nothing but lies which were even more falsely fanciful than the ghost image of the South Korean economy itself.

Surely, the South Korean economy reveals the signs of an irreversible downfall which is impossible to improve no matter who comes to power.

South Korean publications scorn the puppet ruling circles' economic commitments to revive the dying economy with a few vitamin tablets.

The great leader Comrade Kim Il-song has taught: Under the influence of the economic crisis which the capitalist countries are now undergoing, the South Korean economy is falling deeper into a state of bankruptcy.

The economic bankruptcy of South Korea is very serious. In the woeful depression, exports are in the doldrums and prices are skyrocketing due to inflation. The underground economy, including speculative real estate deals, is thriving all over South Korea.

South Korea has been through economic crises, but never an across-the-board economic bankruptcy it is experiencing today.

The current economic crisis is very serious because it has lasted so long. The most serious crisis in recent years was the three-year economic crash from 1979 to 1981. Even the economic catastrophe that swept South Korea from 1984 to 1986 ended after only two years. The current economic crisis, however, was first felt in 1988 and has continued to deteriorate into the current chaos since in 1989. The extensive and prolonged economic downturn, for which no light at the end of tunnel can be seen, casts a dark cloud over the future of the South Korean economy.

The South Korean economy is export-oriented, which is its weakness: The South Korean economy's fate depends on export. Now the South Korean economy is engulfed in the capitalist world's fierce trade war and is being suffocated. The capitalist powers are shoving South Korea out of technological competition. It is being undermined by underdeveloped countries in a low-wage competition. Thus, South Korea is standing on the edge of a cliff with a trade deficit of approximately $10 billion and foreign debts exceeding $50 billion.

While the trade deficit is accumulating and foreign debts are snowballing, the economic growth rate is slipping. Industry, agriculture, export industry, and industries for the domestic market are declining. The mining industry, which supplies raw materials and fuel to industry, is declining. Coal mines and other mines are being shut down. The Taehan Tungsten Company owned one of the leading tungsten mines in the world. The mining industry completely disappeared in South Korea when that tungsten mine, which accounted for half of annual foreign exchange earnings until the middle of 1980's, was closed some time ago. Even the heavy and chemical industry sectors, including electronics, steel, and machinery—as well as the light industry, including spinning and weaving, footwear, and toys—are experiencing sluggish production and losses.

Although businesses that are foundering in management difficulties resorted to shorter operating hours, collective leave, and massive layoffs, they failed to overcome the problems and are exhausted and bankrupt. The number of businesses that went bankrupt was 6,978 in 1990 and 7,625 in 1991. About 4,000 went bankrupt during the first half of this year.

Agriculture in South Korea was also ruined, and production of agricultural products, including rice, is stagnant or decreasing. Arable acreage is decreasing every year, and dormant arable acreage is increasing to exceed 100,000 chongbo (245,100 acres).

Skyrocketing prices are another specific indication of the present economic chaos. According to official statistics, commodities prices annually rose 10 percent in recent years, and prices of high demand commodities jumped 15 to 50 percent. This far surpasses 3 percent, which the puppet authorities established as a stabilizing consumer price increase rate. The commodity prices affecting consumers in the markets and the prices housewives pay while shopping are skyrocketing at an annual 40 to 50 percent. Prices of some commodities are commonly jumping 90 to 120 percent. The increase of land and housing costs is even worse. Sarcasm is evident in the terms such as crawling wage, hopping commodity price, and flying land price, signifying the cries of people who are staggering under difficult living conditions.

The slogans of the Daewoo Precision Company's strikers—"Even the workers are human beings and we want to lead a decent life"—are the painful outcries of tens of millions of the South Korean working popular masses who moan at their existence, which reached its limit.

The dear leader Comrade Kim Chong-il indicated: The imperialists can make some underdeveloped countries their colonies and artificially manipulate material prosperity to let these colonies confront socialist countries. However prosperous it may be, such a subjugated economy cannot give genuine welfare to the working popular masses.

The South Korean economy brings all kinds of pleasures and luxuries to those who have, but it offers no decent job, house, and regular meals to the have nots.

South Korea has some two million fully unemployed and nearly five million partially employed people. We can easily find college graduates who cannot find jobs, as well as people holding doctorates.

The number of unemployed in South Korea is increasing because of the more than 500,000 farmers who leave every year, some 500,000 youths who are old enough to work, and tens of thousands of the workers who lose their jobs because of short-term operations and bankrupt businesses.

Labor disputes are also increasing year after year. In 1991 alone, some 3,000 workers were killed in labor disputes and some 200,000 were seriously or slightly injured. According to South Korean publications, these casualties are comparable to a large- scale war.

South Korean workers' wages are less than one-third of the minimum cost of living. Women's wages are only one-fifth of the minimum cost of living. A foreign publication says that it is a miracle that South Korean workers can live on such a low wage. Workers are floundering because of low wages, while farmers are weeping over the low prices the government is paying for their rice. Rural households' income levels fall short of farming expenses because agricultural products are sold at very low prices. Farmers complain about the pressure of their heavy debts because they are operating in the red.

Rural households' debts, which are increasing year after year, averaged 340,000 Korean won per household in 1980 and increased as much as 10,690,000 won in 1991, more than 31 times the 1980 per household debt.

If farmers fail to pay their debts, lenders raid them and seize their farmland and furniture. The farmers' families own nothing but their own bodies after being deprived of all they have and have to leave their farmland and wander from place to place. The farmers who have to leave their farms after being ruined and then deprived of their land number over 500,000 every year. This is a sad plight in South Korean rural communities today.

Housing is even worse in South Korea. South Korea has the largest number of people in the world who do not own their houses. It is most difficult in South Korea for people to own a house. The housing shortage ratio reached 60 percent in 1991, and 6,894,000 households do not own their own houses. Housing costs five to six times as much as the United States and Japan, which are known to have the most expensive housing costs in the world.

For the havenots to buy a house is lke trying to pluck stars from heaven. It takes as long as 100 years for wage earners making 200,000 won a month to buy a 68-square meter apartment if they save their total salary. This means that it is impossible for them to own houses during their generation.

The number of the people who do not own their homes in South Korea is increasing. As a result, the villages where they live in crowded conditions have acquired various ridiculous nicknames: Villages on the bank means that these houses are lower than the river bank and can float whenever it rains; moon village means they can see the moon between roof mats when they look at the ceiling at night; and vinyl house village means they pitched a vinyl tent where their shacks were forcibly removed. These nicknames sound too luxurious when we consider the grief of the South Korean people who do not own houses.

The burdens of taxes, medical treatment, and education are stupendous in South Korea. The South Korean people have to pay almost 200 different taxes amounting to about 900,000 won. A family of five would have to pay a total of 4,500,000 won. This means that it is difficult to pay a household's tax on the salary on only one family member.

The working masses shoulder this enormous tax burden. The South Korean publications often carry articles containing the following remarks: The taxes imposed on wage earners by the tax authorities is too heavy. The people in the lowest income bracket are burdened with heavier taxes.

Medical treatment in South Korea is too high for the poor to even think about going to hospitals. Daily hospital charges excluding diagnosis, medicines, and food are as much as 160,000 won, which is comparable to the workers' monthly salary. It is difficult for poor people to go to a hospital even if they are seriously ill.

Even patients who need first aid or emergency surgery are refused admission to hospitals and die on the streets if they are found to have no money. Among myon [subdivisions of a county] 53.4 percent are without doctors or pharmacists. A large number of counties have no hospital. Educational expenses are enormous. It costs as much as 40,000,000 won to educate a person from primary school to college. This is more than the amount of money which a South Korean worker can earn in 10 years. Sons and daughters of poor workers and peasants cannot go to middle school or even primary school, never mind college. Because of this high cost of education, 13.7 percent of South Koreans are illiterate, a shameful situation. Even according to the puppet authorities' official statistics, there are 4.4 million South Koreans who are living at the absolute poverty level. Tens of thousands of primary school children in Seoul cannot afford lunch at school.

Suicides, prostitution, trade of humans, export of orphans, kidnappings of women and children, and other social evils and felonies are the results of the social and economic collapse.

South Korea is a hell where no man can live. This is exemplified by the facts that more than 10,000 people a year kill themselves because of hardships in their livelihood, 40,000 children a year are kidnapped, and two million women make a living by selling their bodies. This is a true picture of the South Korean economy and a dark social situation viewed from the perspective of people's lives.

People cannot afford to buy goods at luxurious stores; they skip meals because they cannot buy rice; the unemployed roam streets; the homeless shiver in the cold of winter; the sick cannot afford treatment; people cannot afford education no matter how eager they may be to study; even primary school children cannot afford lunch; and all sorts of social evils and crimes are prevalent. Under these circumstances, how can one call the South Korean economy the people's economy or talk about prosperity?

The vanity of the South Korean economy is coming to its end.

2. A French newspaper described the South Korean economy as an earthworm that wriggles in a quagmire. Of course, this is a sharp rebuttal to South Korea's self-description as a dragon that fumes on the Han River. The ROK [hanguk] economy, which is found to be not a dragon but an earthworm, is no longer wriggling in a quagmire of colonial subjugation. As commentators have correctly pointed out, the South Korean economy is so tattered that it is now in a coma. How did this happen?

The overall crisis facing the South Korean economy and the people's difficulties in their livelihood are due to the fact that the South Korean economy is a colonial, subjugated economy.

The dear leader Comrade Kim Chong-il has pointed out: Today, the South Korean economy has been reduced to an economy subjugated to the U.S. imperialist monopolist capitalists and an economy attached to the U.S. economy.

Because of the U.S. imperialists' policy of aggression, which spans a half century, the South Korean economy has been reduced to a thoroughly colonial, subjugated economy. The United States has infiltrated monopolist capital into South Korea en masse in the name of assistance, aid, and direct investment, raised comprador capitalists and colonial subcontractors, controlled economic lifelines, and exploited profits from the colony. The South Korean economy is a colonial, subjugated economy that serves U.S. interests and other foreign monopolist capitalists and that fattens foreign monopolists. The United States, Japan, and other monopolist capitals receive tax breaks, financial privileges, and other favors and profiteers in South Korea. The U.S. and Japanese multinationals who have infiltrated South Korea make profits four to five times greater than those which South Korea's large companies, not to speak of the profits of small- and medium-sized companies. The U.S. and foreign monopolist capitalists invested as much as $70 billion in South Korea. They exploit a total of $21 billion a year, including $5 billion in interest payments, $3 billion in profits in business operations, and $10 billion in trade profits.

On top of this, the United States annually exploits approximately $2 billion for the upkeep of the U.S. aggressor forces occupying South Korea and $10 billion in the puppet government's defense budget. In this way, the United States raises its military expenses in South Korea.

As many commentators say unanimously, the South Korean economy is nothing but a colonial hen laying golden eggs and serving the lord and master of a suzerain state. The U.S. imperialists' economic aggression on South Korea is becoming vicious with each passing day. On the one hand, the U.S. imperialists are pressuring South Korea to open up its door to U.S. goods. On the other hand, they are taking restrictive measures so that South Korean goods cannot come into the U.S. market.

The pressure to open up the South Korean market started in November 1983 when Reagan visited South Korea. As a result, the market of industrial goods was already completely opened, and it was decided that the agricultural market would be completely opened by 1997. The United States is pressuring South Korea to open up completely and quickly its distribution and service market such as the areas of distribution, finance, communications, construction, and capital. The puppets are adapting to this without even having the chance to oppose it.

This kind of U.S. pressure and submission by the puppets is a deadly blow to the South Korean economy in today's reality where protectionism is emerging and a regional economic bloc has been formed. In particular, the opening of the agricultural and stock breeding products market is emerging as an important point of dispute because it infringes upon the farmers' life and death interest.

Along with the U.S. imperialists' economic aggression policy in South Korea, the puppet regime's nation-selling and antipeople economic policy is also a source of the South Korean economy's destruction and the people's economic difficulties. The puppet ruling bunch is clinging to the economic policy which is mainly for large businesses and centered on the comprador capital. It is giving conglomerates all kinds of financial and managerial benefits and privileges. The scale of financial benefits to conglomerates in the past is equivalent to the total amount of assets of all of South Korea's industry today. This fact shows the structure of the bureaucratic comprador capital, and the truth of the bond between the economy and politics.

On the other hand, the puppet regime introduced the notorious combined wage system, thus in reality freezing increases in workers' wages. It is not only intensively limiting the price of the government's purchasing price of rice, but it is also continuing to reduce the weight of the social welfare budget in the puppet government's budget. The structural vulnerability of the South Korean economy is another important reason for the current economy's fetters and the people's economic difficulties.

The South Korean economy became a subcontracting industry of the multinational businesses of the United States and Japan. It has a structural discrepancy and vulnerability which is characterized by severe imbalance, abnormality, and partiality among various sectors.

Compared with the processing industry which receives a subcontract by the multinational businesses, the agricultural and extraction industries which are basic industries of the national economy are very weak. Compared with a simple processing and assembly process, the production process of intermediate goods and spare parts are considerably lagging behind. Compared with the export industry which is aimed at the foreign market, the industry for domestic demand which deals with the domestic market is considerably weaker. Compared with conglomerates, the middle- and small-sized businesses are relatively lagging behind, and compared with the distribution and service sectors, the production sector is relatively lagging behind.

Because the structure of various sectors is unbalanced and abnormal, the South Korean economy is in reality the same as being paralyzed on one side. It can stand up only when depending on someone else and can walk in a wobbly way only after receiving help from the United States and Japan.

Basic industries such as the agricultural and extraction industries are on the verge of dissolution, and the ability to produce intermediate goods and core spare parts is lacking in South Korea. Therefore, if it is to carry out odd jobs received through the subcontract, it is inevitable to depend on foreign countries including the United States and Japan for almost all of the necessary food, raw materials, fuel, intermediate goods, and spare parts.

If South Korea does not depend on the United States for food, it cannot live. The self-supplying percentage of grain in South Korea, which has been degraded to the fourth largest purchasing market of agricultural goods from the United States, is only 37 percent as of 1991. In 1991, South Korea had to import ten million tons of grain from foreign countries including the United States. This signifies that South Korea can live only when three large-sized ships containing 10,000 tons of grain embark in the South Korean ports everyday for a whole year. The lifeline of the 40 million South Korean population are within the U.S. grasp.

South Korea is also depending on foreign countries for over 70 percent of its overall demand of fuel and raw material. South Korea is depending on foreign countries for 79.4 percent of its fuel resources; 84 percent of its forest resources; and 87 percent for mineral resources. Important intermediate goods and core spare parts are in reality 100 percent dependent on foreign countries.

The South Korean economy's dependence on overseas commodity markets is also high. The South Korean economy's dependence on exports reached 40 percent as of 1991. This is an even greater percentage than that of the United States and Japan, which are called great export countries.

One is to ask for the other's helping hand when one has nothing available. However, if one begs the other's help too often, one's situation is indeed miserable and one's life is very weary.

In a word, the South Korean economy is not able to attain anything by itself because of its structure. It is an extremely weak and unstable economy that cannot endure even a minor shock at home or abroad.

When the shock of U.S. pressure on market opening and worldwide economic depression swept South Korea, its production and export immediately suffered a blow, its economy became stagnant, and its international competitiveness was reduced. Under such a colonial subordinate structure, how can the South Korean economy avoid going toward crisis and how can its future be bright?

Political upheaval and overall social corruption and irregularities in South Korea worked as another factor causing present economic crisis. The economic crisis in South Korea has deepened as a result of political unrest. It is an everyday affair that high-level government officials were frequently replaced whenever political crisis was aggravated.

During a few years of the Sixth Republic, a farce of reshuffling cabinet members was frequently waged, and more than 100 high-ranking government officials, including the prime minister and economic cabinet members, were reshuffled.

Such government officials, who were replaced so frequently, could hardly pay attention to economic policy and industrial conditions, and were thus only engrossed with seeking their own interests. Under these circumstances, government officials from economic domains can hardly be upright, and the frame of economic policies was adrift without direction from so-called stability to growth, from growth to welfare, and from welfare again to growth. All this is quite natural.

The vicious circle of political upheaval forced one to squeeze an enormous amount of money from enterprises to use it unproductively, thus deepening the economic crisis. This reality amazes people.

The money used as funds for the recent South Korean puppet parliamentary elections amounted to 5 to 6 trillion won. An even greater amount of money than this was spent during the recent election of the puppet president.

For this, it is an ordinary phenomenon that whenever elections are held in South Korea, the economy becomes stagnant. Therefore, people say that the South Korean economy may collapse due to elections.

The peculiar word, "underground economy," which describes real estate speculation and the private loan business, which constitutes another economy, is very popular in South Korea.

The enormous amount of money reaching 85 trillion won is being flown into pockets of real estate speculators each year who are dreaming of making a big fortune with one fell swoop. The scale of the underground economy exceeds 3 or 4 times as much as the budget of the puppet government.

The South Korean ruling bunch is well aware of the harmful nature in procuring its political funds and its irregular accumulation of wealth. But the South Korean rulers still support and tacitly approve the underground economy.

Corruption and irregularities are growing like a poisonous mushroom in the midst of a muddy stream of the underground economy which drains enterprises of their management funds. The incident of the Ilhae Foundation funds occurred during the Fifth Republic. In addition, various other irregularities, which were exposed while the Sixth Republic was scheming to extract political funds, including the incident of Suso irregularities, the incident of fraudulence on properties of the Intelligence Command, and the incident of suspicion over mobile telecommunications occurred in South Korea one after another.

Among them, the large-scale scandalous incidents, involving more than 10 billion won in each case, numbered as many as 13 cases. It was reported that about 3 trillion won was used each year as various forms of bribes, such as tips which were aimed at concealing fraudulence, as money given to reporters and journalists, as rewards and as commission.

Seeing all this corruption and irregularities, the South Korean people denounced them as politics spoiling the economy. They also condemned political funds as a cancer of the economy.

So along as there is the U.S. imperialists' colonial rule and subordination of South Korea's economic structure, the prevailing crisis in the South Korean economy cannot be basically overcome nor can the people's economic plight be settled. The future of the South Korean economy is simply dark and gloomy.

3. Our people, who created a long history and brilliant culture in an area in the East, are one, and the land of the fatherland, where all fellow countrymen bloomed their life generation after generation, is one. However, two different realities exist in the North and the South that are connected as one land.

Dear leader Comrade Kim Chong-il has indicated: The socialist life enables the popular masses to enjoy freely and equally the independent and creative life as masters of the state and society. However, the capitalist life makes the people seek only personal pleasure after becoming the slaves of money. When we compare the two, we will find great difference, like that of the heavens and the earth.

The heavens and the earth are an expression of comparison between most brilliant thing and darkest thing and are description of a widest difference. When they are applied to the North and the South on Korean peninsula, which part is the heavens and which the earth?

The northern half of the Republic, where a paradise of chuche socialism of our own style was built, and South Korea, a land of ordeal trampled underfoot and oppressed by the U.S. imperialists' colonial rule, show a sharp contrast between two extremes of prosperity and development and degeneration and collapse.

On what road has gloomy South Korea traversed? The U.S. imperialists directed the spearhead of their worldwide anticommunist crusades to the Korean peninsula and occupied its southern half. They persistently maneuvered for scores of years to provide a showcase [chinyol-jang] of so-called liberal democracy and capitalist market economy in a bid to confront with popular mass- centered socialism established in the North.

However, what they have tasted was a bitter pill. Various forms of enormous assistance amounting to more than $100 billion, which the U.S. imperialists have poured into South Korea, would have thrown South Korea itself onto a heap of money. However, what is left there is only an enormous amount of foreign debts, and what has grown greater throughout the entire society is the only wide gap between the rich and the poor.

In South Korea, while several millions of homeless people are shivering with cold on the streets, the privileged segments live in palatial mansions valued at 3,500 million won to 14,000 million won. Some segments are showing off, living in villas. While orphans and beggars are leading a miserable life without food, tycoons are enjoying a pleasant Western-style life of drinking expensive Western liquors and eating food valued at several million won for one meal in the closed room of a restaurant. While poor people are dying without receiving medical treatment, idle rich women spend several million won for the surgical operations on the ears and tails of their dogs.

This is the true picture of the South Korean economy which was allegedly enjoying a rapid growth rate. What is provided to the working people in South Korea under such a situation is only hardships, poverty, and contemptuous treatment. It is precisely the working people in South Korea who have been forced to lead a miserable life with their independent and creative life being trampled underfoot completely.

The barren land where the national economy has been completely obliterated, the living hell where the people's living has been trampled underfoot, the iron chian of colonial enslavement, and the trick of militay fascism are precisely the exhibition hall of the free world that

Yankee imperialism has built for half a century. This hall is not a splendid exhibition hall but is an ill-smelling dirty ditch.

Now, let us turn our eyes to the socialist fatherland of chuche. In the northern half of the Republic where the socialist system centered on the popular masses has been established under the wise leadership of the great leader and the dear comrade leader, the self-reliant national economy is vigorously developing without being shaken even amid any economic crisis of the world, and the people's living is being systematically improved.

The northern half of the Republic is the only country in the world that has abolished the tax system. It is also a country of learning where more than one fourth of the population are students perfecting and enforcing the free education system, the ideal of mankind. It is a country free from disease where the people are enjoying longevity. There is only one country in the world, that is, our Republic, where all people are provided with houses free of charge and food almost free of charge.

The saying that people's poverty cannot be settled even by the strength of the country has become an old saying in our country. Our country has become the only paradise of the people in the world where the state is held responsible for providing the people with food, clothes, and houses.

It is not an easy job for the state to look after not only the country's economy but also each household's economy. All statemen and all politicians whom we have had for several thousand years ever since the era of Koryo have promised the people a better life. However, history has never witnessed any kings or political leaders who kept the promise. Leading a handful of rich people to live better is very easy. However, evenly providing tens of millions of people with food, clothes, and houses cannot be thought of without a lofty political philosophy serving people and the firm foundation of a powerful and mighty national economy. However, it has been realized in the fatherland of the great chuche idea and under the socialist system of our own style.

Our very superior people-oriented policy of leading all the people to live well without worrying about food, clothes, and houses is backed by our mighty economic power. Our self-reliant national economy started from nothing and from ashes. Our self-reliant national economy has been achieved with our people's own strength and without relying on foreign aid. Our self-reliant national economy has been achieved amid the serious situation of confronting the U.S. imperialists and amid the capitalist world's surrounding and blackade. Herein lie the inexhaustible vitality and invincible might of our economy. Because of this, when the world met economic difficulties because of the oil crisis we could completely abolish the tax system for the first time in the history of mankind and when many countries of the world faced difficulties because of foreign debts our country could build the Sohae Lockgate, one of the leading lockgates of the world, with $5 billion.

When socialism collapsed in many countries in East Europe and, thus, when the world's eyes were focused on us, tens of thousands of new houses were built in Kwangbok and Tongil Streets and the wages of workers and office workers were sharply increased, thereby amazing the people of the world again.

Let us turn to the quite different realities of the North and the South. If the socialist economy of our style is the heaven, the South Korean colonial dependent economy is the earth. The dragon which has soared highly into the heaven is the chuche- based socialist independent economy which is winning victory after victory, while the earthworm on the bank of Han River is the South Korean economy which has been reduced to an appendage of the U.S. economy.

The economic conditions in the North and the South today are living proof of the superiority of socialism of our style to capitalism. The capitalist market economy, not the socialist economy, is confronted with the crisis of across-the-board bankruptcy. The capitalist system, not the socialist system, has a gray future.

Under the socialist economy, all the people own the means of production and everything is geared to the benefit of the popular masses, while under the capitalist economy, the means of production is privately owned and material wealth produced by society is at the hand of a tiny handful of people, and this social wealth is squandered for their wealth and pleasure. Under the capitalist market economy where the law of the jungle governs, it is impossible to expect the smooth economic development and improvement in the people's welfare.

History and realities have already proved that the capitalist economy will not only inevitably undergo crisis because of its antipeople nature and its structural contradiction, but also it cannot avoid a vicious circle of crises. The serious economic crises, which many capitalist countries including the United States suffer today, vividly shows this.

The United States, which has been on the decline since the Korean aggressive war, has been already reduced to the debtor from the greatest lender because of economic sluggishness. The enormous U.S. trade deficit and budgetary deficit began to cast a dark cloud over the fate of the United States—the only superpower in the world.

In his book *The Rise and Fall of The Big Powers*, a professor at Yale University predicted that the United States may follow the historic examples of the Spanish Empire, the Napoleonic Empire, and the great British Empire which have gone downhill and collapsed over the past 500 years, thus creating a great sensation. Some prophets warned that the United States may repeat the misfortune of the downfall of the great British Empire, which boasted that the sun never set on the British Empire. This warning is becoming a reality.

They say the capitalist market economy is very attractive and signifies the mankind's common value. If this is the case, how should we interpret the miserable conditions of many poor countries on several continents, which have adopted the market economy for a long time? If the capitalist market economy has a bright future, why do some people talk about the rise and fall of the United States which is the headquarters of the free market economy?

The capitalist market economy is the unfair system which deepens the gulf between rich and poor in a country and polarizes the world into the rich North and the poor South on the international level as well. This is the system which is governed by the laws of the jungle: Under the system, the world is really a mess, and a country must eat or be eaten. This is the inhuman system which regards even human beings as a commodity and converts man's value into exchange value. This is also the antihumankind system which devastates the earth with environmental pollution and thus threatens humankind's existence itself.

The problem of the market economy is not a mere economic matter, but it is an issue related to human rights, which is a universal value of the world and the most serious political problem at the same time. Is this really the system which mankind should follow? If this market system is brought to the court, the court should sentence the system to capital punishment for its unparalleled crimes because the system has inflicted disaster upon mankind for centuries.

Those who are capable of correctly understanding the essence of a certain phenomenon and the law of its development make the following their immutable faith: Socialism is the only way out and a correct option for getting out of the present economic crisis which South Korea and the world's capitalism are undergoing, and for making all the people lead an equally abundant life as in the northern half of Korea.

In the public poll taken by Seoul National University some time ago, 89.2 percent of the pollees answered that socialism is an immutable truth and a goal of the South Korean movement for change. 93.7 percent of South Korean workers are yearning for the popular masses-centered socialism established in the northern half of the Republic. These facts bear eloquent witness to socialism as the only way out and correct option.

The South Korean people are endlessly yearning for and aspiring for socialism day after day. This is not vague yearning and aspiration. This is based on the following realistic judgment and choice: They discovered mankind's ideal system, under which the popular masses are genuine master of the state and society and can bring their true life into bloom in the North's socialist paradise free from exploitation and suppression, where everyone can lead an equally abundant life.

In order to surmount economic crisis and save the popular masses from unprecedented hardships of life, South Korea should take the road of political independence and economic self-reliance after freeing itself from the U.S. imperialist colonial bondage. The South Korean people should aspire for the world free from subjugation, suppression, and exploitation, and for the world where everyone leads an equally abundant life. To make this aspiration come true, the South Korean people should more vigorously embark on the struggle for achieving independence, democracy, and fatherland reunification.

South Korea

Government Concerned About Plutonium Shipments to Japan

SK0501110293 Seoul YONHAP in English 1053 GMT 5 Jan 93

[Text] Seoul, Jan. 5 (YONHAP)—The government expressed concern Tuesday over safety of the large amount of plutonium Japan has been introducing.

"The government is concerned about the plutonium in terms of its safe management as such danger exists as hijacking during its transportation," a Foreign Ministry official said.

The official, however, ruled out any possibility of Japan arming itself nuclearly.

In view of the international reliance Japan has piled up in the area of peaceful use of nuclear energy, he said, it is not likely Japan will be nuclearly armed at least at the present stage.

DPRK Firm Breaks Contract, To Buy Taiwan Rice

SK0401005093 Seoul YONHAP in English 0040 GMT 4 Jan 93

[Text] Seoul, Jan. 4 (YONHAP)—North Korea may buy rice from Taiwan or Ukraine to make up for critical shortages, breaking a contract with a South Korean company, maritime sources said Monday.

Kumgangsan International Trading Co. of North Korea signed a contract with Cheonji Trading Co. of South Korea for the purchase of 100,000 tons of rice in 1991.

According to the sources, however, Pak Kyong-yun, head of Kumgangsan, recently said her firm might switch to Taiwan or some other country.

The reason for Pak's comment was not known, but it was probably due to the freeze in inter-Korean relations caused by the North's nuclear development project, the Seoul-Washington annual "Team Spirit" military exercise and a spy scandal, they said.

The North pushed for the rice deal with the South secretly to save face, and a blaze of publicity surrounding the first 5,000-ton shipment in July 1991 turned the North sour on the exchange. Since then, the contract has been on hold. Other sources said, however, that South Korea might resume rice shipments to the North as soon as the new administration is launched.

'Political Decision' on Opening Rice Market Looms

SK3112024092 Seoul THE KOREA HERALD in English 31 Dec 92 p 2

[Text] Korea will have to make a "political decision" if all other countries opposing the opening of agricultural market including Japan yield to the pressure to open, Korean Ambassador to Geneva Pak Su-kil said yesterday.

He said there is a possibility that Korea may later remain the last country to oppose the agricultural market opening, although several countries are now taking similar positions.

Countries such as Switzerland, Canada, Israel and Mexico also oppose the Dunkel draft for nondiscriminatory tariffication and demand grave periods for agricultural products, he said.

Korea is closely cooperating with them to protect the rice market, he said.

"In the worst case, however, Japan may open its agricultural market and other countries reach compromise on the demand for a grace period. In that case, we will have to make a decision on whether to accept the result of the entire Uruguay Round multilateral trade talks," he said.

The top Korean negotiator in Geneva is visiting Seoul for consultations with government officials.

Pak said Seoul's strategy is to protect its agricultural market to the maximum while being flexible in other fields.

He expected the Uruguay Round trade talks to be concluded by the end of February 1993. But if the negotiations fail to be settled by then,, they may be delayed for a considerable time.

Pak said that different interest groups may put pressure on the U.S. government when Clinton takes office, which may result in a delay in the multilateral trade negotiations.

Envoy to PRC To Return for Consultations 14 Jan

SK0401095393 Seoul YONHAP in English 0903 GMT 4 Jan 93

[Text] Beijing, Jan. 4 (YONHAP)—South Korean Ambassador to China No Chae-won will return home on Jan. 14 for consultations on issues of common concern between Seoul and Beijing, including a possible visit by Chinese President Yang Shangkun to Seoul, an informed source here said Monday.

No will also meet with officials of the presidential office and the Foreign Ministry to give them tips on promoting Seoul-Beijing ties and recent political developments in North Korea, the source said.

The South Korean Government was ready to accept Beijing's offer for Yang's Seoul trip at any time since President No Tae-u had invited him when he visited Beijing in September, he noted.

"However," the source said, "prospects for Yang to visit Seoul are not clear due to domestic reasons such as the National People's Congress slated in March and Yang's position in the Chinese leadership."

The source observed that yang's Seoul trip would come by March, or June at the latest, if Yang's position remained secure.

The source, who asked not to be named, said that Yang's trip, if realized, would possibly be followed by South Korean President-elect Kim Yong-sam's return call this year.

North Reportedly Asks China for Loan To Import Crude Oil

SK0401100093 Seoul KBS-1 Radio Network in Korean 0900 GMT 4 Jan 93

[YONHAP report from Tokyo]

[Text] The Hong Kong English-language paper CHINA DAILY reported on 4 January that North Korea recently asked the Chinese for a loan to import crude oil. CHINA DAILY reported that North Korea's Kang Chong-mo, vice chairman of the External Economic Committee, visited China in late December 1992 and held talks with Li Lanqing, minister of the Ministry of Foreign Economic Relations and Trade, and asked China to conclude an agreement for a loan.

Two Chinese Fishing Boats Captured Near Cheju

SK0301105193 Seoul KBS-1 Radio Network in Korean 1000 GMT 3 Jan 93

[Text] Two Chinese fishing boats tresspassing in our territorial waters were captured by the Maritime Police. At this time, the Cheju Maritime Police is towing the two 72-ton boats to Cheju Port.

At around 1330 on 3 January, these two Chinese fishing boats came six miles inside our territorial waters 5 degrees south of Cheju Island. They were caught by our Maritime Police while catching fish with dragnets.

Former East Bloc Nations Set Up Businesses

SK3012011092 Seoul YONHAP in English 0004 GMT 30 Dec 92

[Text] Seoul, Dec. 30 (YONHAP)—A total of 38 branch offices have been set up in South Korea by business enterprises of the Commonwealth of Independent States, former East Bloc countries and China, according to the Trade and Industry Ministry.

Ministry officials said Wednesday there were only two branch offices, both Polish, in 1988. The number had increased since as trade with former communist countries and China rose sharply in the four years.

By country, China led the list with 24, followed by the CIS with six, Yugoslavia, three, Poland, two, Hungary, two, and Bulgaria, one.

Most of these branches are engaged in trade and include five airline and shipping companies and one Russian cinema corporation, the officials said.

Trade With Communist Countries Up 30% Jan-Oct

SK3012122192 Seoul YONHAP in English 0725 GMT 30 Dec 92

[Text] Seoul, Dec. 30 (YONHAP)—Two-way trade with former and present communist countries soared 30.5 percent to 8,317 million U. S. dollars in January-October from a year earlier, the Trade and Industry Ministry said Wednesday.

Exports jumped 55.4 percent to 4,476 million dollars and imports rose 10 percent to 3,841 million dollars, a ministry spokesman said.

Korea posted a 635 million-dollar surplus in trade with communist nations in the first 10 months. This compares with a 590 million-dollar deficit last year.

Exports to China grew 83 percent to 3,478 million dollars and imports rose 11 percent to 3,140 million dollars for a two-way trade volume of 6,618 million dollars, taking the lion's share of the commodity exchange between Korea and communist nations.

Trade between Korea and Vietnam reached 391 million dollars in the 10 months, up 103.6 percent from a year earlier, posting the largest growth.

The trade with former Soviet republics climbed 5.3 percent to 854 million dollars, and trade with east European countries fell 34.8 percent to 446 million dollars.

Korea had surpluses of 338 million dollars with China, 295 million dollars with vietnam and 102 million dollars with east European nations, but a deficit of 106 million dollars with former Soviet republics.

Banks Allowed To Establish Foreign Branches

SK2912113292 Seoul YONHAP in English 1054 GMT 29 Dec 92

[Text] Seoul, Dec. 29 (YONHAP)—The Finance Ministry Tuesday decided to tentatively allow 17 domestic banks to set up 18 representative offices and branches abroad next year.

By area, the total breaks down to eight in China, seven in Southeast Asian countries, and one each in Mexico, Brazil and Japan.

A Finance Ministry official said Tuesday 18 banks had applied for the creation of 34 representative offices or branches abroad next year, but permission was granted on a selective basis in a policy to forestall excessive banking competition in some areas.

The 17 banks allowed to open overseas offices include 11 commercial banks and six special banks, and by type the 18 banking outlets set for creation comprise three branch offices, one local corporation and 14 representative offices.

As of last November, Korean banking institutions maintained 183 overseas outlets—113 by commercial banks, 60 by special banks, seven by local banks, and three by banking corps.

By area, the Asian zone topped the list with 73 followed by North America with 51, Europe with 48 and Latin America with three.

* Seriousness of Regionalism Discussed

* Theme Presented

932C0051A Seoul HANGUK ILBO in Korean 18 Nov 92 p 6

[Theme by Tongguk University Professor Kim Ik-ki: "Causes of Regional Conflict and Its Solutions," presented at the roundtable discussion jointly sponsored by HANGUK ILBO and the Academy of Social Sciences]

[Text] The Korean society is on the threshold of an immense change. In a month we will see a real civilian government installed for the first time in so many years. The bright rays of civilian government will begin to shine at the end of the long tunnel of the military administration that has been in power over 30 years. Clearly, this is the great happy change that all of us have waited for so long. It is expected that this change will bring us a large gift bag of democratization that will make our people agitated with hope and expectation. But the current tension and conflict might continue unabated amid this change. In other words, the question of regional conflict, which is even called a ruinous disease of our nation, still remain unsolved.

A nationwide sample survey conducted in October 1988 jointly by the Academy of Social Sciences and HANGUK ILBO, indicated a serious degree of regionalism existing throughout the country. The measurement of the feeling of social distance between people in different regions indicated that the feeling of rejection between people in different regions manifested itself conspicuously in two forms.

First, the survey shows that the numerical value indicating the dislike for people in the Cholla Provinces prevalent among people in the rest of the country was very high. The intensity of dislike for people in the Cholla Provinces was generally high in all regions, and even higher particularly among people in North and South Kyongsang Provinces, North Chungchong Province, and Kangwon Province. What deserves particular attention here is the fact that even people in Kangwon Province, who have little opportunity to contract with people in the Cholla Provinces, showed a very high degree of dislike for people in Cholla Provinces. Second, only people in the Cholla Provinces showed a high degree of dislike for people in the Kyongsang provinces, while people in other regions entertained a relatively low degree of dislike for people in these provinces. In this connection it is noteworthy that when it comes to the mutual dislike among people in the Yongnam and Honam areas, people in the Yongnam area showed a much stronger dislike for people in the Honam area than people in the Honam area felt for people in the Yongnam area. The numerical value of dislike entertained by people in the Cholla Provinces for people in the Kyongsang Provinces was approximately 30 percent, whereas that the numerical value of dislike among people in the Kyongsang Provinces for people in the Cholla Provinces was 54 percent.

If so, can this regionalism be eliminated? The coming presidential election will be an important test of whether regionalism will be eliminated through a solemn effort of the presidential contenders or develop into a more serious, ruinous national disease. All the more so, given the signs that when it comes to down-to-earth campaigning, the presidential candidates of the various parties are appealing to regionalism behind their lofty banner calling for the elimination of regionalism. In this connection, I think it very important for us to discuss together the causes of regionalism and their solutions.

A complex mixture of political, social, and economic factors is responsible for the regionalism or regional conflict that is currently manifesting itself in our society. The mutual adversarial feeling between the people of the Yongnam and Honam areas has a long historical root. Some people say that this regionalism can be traced to the era of three Kingdoms, while others say that it originates in the "10 Commandments" of Wangkon, the founder of the Koryo dynasty. But no one doubts that it was during the turbulent period of the 1960's and the ensuring years that regionalism aggravated so much that the whole nation began to worry about it seriously. Politically, the 1960's was the period in which the Republican Party was in power with its regional base in the Yongnam area. Economically, that was the period in which the growth-oriented policy began to be applied discriminatingly in favor of the Yongnam area.

President Pak Chong-hui, after seizing power by the 1961 coup, conducted a personnel administration based on regional favoritism in an attempt to compensate for the lack of legitimacy for his government, thereby widening the regional gap and aggravating the regional conflict. The subsequent Chon Tu-hwan regime, which also lacked legitimacy, maintained an undemocratic and authoritative administration. The power of the TK [Taegu-Kyongbuk] establishment that emerged under the Chon Tu-hwan regime is still conducting personnel administration based on partiality, thus exhibiting its skewed nature. The Kwangju uprising may be recorded as an important incident that aggravated regionalism.

On the other hand, the biased economic development policy that was initiated with the Yongnam area as the center of industrialization became a decisive factor in widening the economic gap between the Yongnam and Honam areas. This not only widened the real income gap between the people of the Yongnam and Honam area but also caused a wide perception gap between the people in these two areas with regard to their income gap. This in turn prompted those in the Honam area who used to depend on farmland for their livelihood to abandon farming in droves.

Another cause of regionalism, which has further aggravated recently, is the political game played by some of the politicians on the strength of their regional ties, a game far short of a policy- or ideology-based rivalry. This tendency sharply manifested itself in the past presidential elections, reaching its height in the last presidential election.

Many-sided efforts are needed to overcome the regionalism currently prevalent in our society and achieve development through social unity. Inasmuch as regionalism is deep-rooted and it stems from diverse causes, its solutions cannot but be diverse. The issue can be approached roughly from two different angles. One is a general approach, namely, working out general and preventive measures through institutionalization. The other is symptomatic treatment for the various indirect and direct causes of the regional conflict. Here we will first deal with the symptomatic remedy for the known causes and then proceed to deal with institutional problems. With regard to the symptomatic treatment, it will be more meaningful to examine the remedies preferred by the public in the sample survey conducted in 1988. The solutions to regional conflict suggested in the 1988 survey divide the causes of various aspects of regional conflict into three categories—political, social, and economic. Those polled chose economic policies as ones that they think would make the greatest contribution to resolving the regional conflict. Among economic policies, the specific proposal for attracting big businesses to the Honam area was regarded as the most positive measure, with 73 percent of the respondents supporting the measure, and next came measures to remove the economic gap. The second important policies after economic policies for the elimination of the regional conflict were: democratization, regional distribution of personnel appointments, stepped up inter-regional exchanges, shift in generation in the political leadership, and expansion of transportation facilities connecting the eastern and western parts of the country. More than 50 percent of the respondents said these measures would be helpful in resolving the regional conflict. There was a marked difference between people in the Yongnam and Honam areas in the percentage of support for these measures, indicating that it is difficult to root out regionalism by symptomatic treatment alone.

On the other hand, the enactment of laws guaranteeing equality for all citizens and the practice of political democracy may be the universally applicable measures that can be worked out as part of the institutional approach. To institutionalize equality, it is imperative first to put in place the legal and institutional brakes that will make it fundamentally impossible to practice discrimination. One example may be the enactment of specific bills requiring regional quotas for employment, and the abolition of the common practice of giving one's permanent domicile in job application. Another possible measure is to make all citizens use standard Korean so that the prejudice derived from an external origin may be eliminated.

To this end, it is necessary for schools and mass media to do their utmost to conduct massive information campaigns and develop diverse programs designed to resolve the regional conflict.

The regional conflict cannot be removed completely by one or two remedies. Removal of the regional conflict requires the formulation of all integral policies. More important, however, is a strong determination to implement these policies. In this sense, the coming presidential election has a very important role to play. It must not become a political game appealing to regionalistic sentiment as in the past. The election must be a race conducted over policies developed to give hopes to all our citizens.

* Roundtable Discussion

932C0051B Seoul HANGUK ILBO in Korean 18 Nov 92 pp 6-7

[Report by correspondents Yu Sung-u and Hong Yun-o on the roundtable discussion on "Causes of Regional Conflict and Their Solutions," sponsored jointly by the Academy of Social Sciences and HANGUK ILBO with partipants Kim Kyong-won, director of the Academy of Social Sciences; Kim Kyong-tong, Seoul National University professor; Yim Hui-sop, Koryo University professor; and Kim Ik-ki, Tongguk University professor; place and date not given]

[Text] [Kim Kyong-won] Before examining the causes of regional conflict and their solutions, the ultimate objective of today's discussion, I think we need to examine what kind of phenomenon that we call regional conflict is after all. Would Professor Kim Ik-ki, who has presented the theme, please explain the concept of regional conflict?

[Kim Ik-ki] In fact, I could not make up my mind in the beginning whether I should use the words "regional conflict" or the more commonly used expression "regionalistic sentiment" as the tile of our theme. It seems to be more accurate to state that regionalism as existing in our country had been hidden in the form of a submerged "feeling" up until 1987. But with the 1987 presidential election as a momentum regionalism erupted in the form of regional "conflict" in which as the press reported in those days, people from one region were beaten in groups in another region. The regionalistic sentiment which used to be felt only superficially precipitated into a serious problem of regional conflict. This made it necessary to deal with the issue in a systematic manner. That is why I chose the words regional conflict as our theme. There is the difference that while feeling is something that resides in us as a mere consciousness, conflict takes the form of concrete action.

[Kim Kyong-won] Feeling is of a passing and impulsive nature, and in a pure sense regionalistic sentiment can be viewed positively as one's attachment to his native place. Accordingly, it is more appropriate to say that what we are making an issue of is regional conflict.

Well, conflict exists in any society in a complex form, such as conflict between different classes, different generations, different races, and so forth. What is the reason that regional conflict among all these forms of conflict poses as a special problem for us? It seems to me that the word "prejudice" sounds more appropriate than conflict.

[Yim Hui-sop] The phenomenon we are dealing with here may be classified roughly into four categories: regionalistic consciousness, preference based on regional ties, regional prejudice, and the feeling of being a victim of regional persecution. Emphasis on regionalistic consciousness is something positive like love for one's native place. On the other hand, when it goes wrong, it would come to place emphasis on regional ties, manifesting itself in a negative form, such as giving primary attention to the interests of one's locality where a universal standard should be applied. Next comes regional prejudice that often becomes fixed in one's mind. When prejudice is once formed as a result of preference based on regional ties, it would hardly change. Last comes the consciousness of being a victim of persecution. In the 1980's people in some areas came to have this consciousness of being discriminated against. These four forms of consciousness are interwoven, but we need to discuss them separately for the sake of clarity.

[Kim Kyong-tong] The classification you made sounds good. Difference can always arise between regions because of cultural, ecological, and industrial reasons. We may call them local color. When a group makes egoistic use of regional differences like local color, there will arise a gap, which will breed discrimination, prejudice, and the consciousness of being a victim of persecution. But I do not think that prejudice will become a serious issue because ours is the nation of a single race.

[Kim Kyong-won] When viewed from the standpoint of a political scientist, there is nothing wrong with collective egoism. Democratic political process may be viewed as a competition among interest groups. The problem is how fairly this competition is carried out. However, I suspect that discrimination is being actually practiced between specific regions and that underlying this discriminatory behavior is the prejudicial attitude of our citizens.

[Yim Hui-sop] Let me consider the question: Which comes first, discriminatory behavior or prejudice? In bygone days local color did not manifest itself in the form of serious discrimination. Prejudice, touched off by a political conflict, gave rise to discriminatory behavior, which in turn bred a more serious prejudice in a vicious cycle. [Kim Kyong-tong] I agree. "Taek-ri-ji," a book of geography compiled by Yi Chung-hwan under the Yi dynasty, describes the attitude of the people of the Yongnam area toward the people of the Honam area and the attitude of the people of the northeastern region toward those in the southwestern region. The book thus illustrates cultural prejudice existing in those days. We have to recognize this fact before proceeding further. However, we can find no link that shows that such prejudice developed into the kind of regional conflict that all of us takes seriously today. Accordingly, we should not view regional conflict as an aspect of cultural prejudice endemic to our nation but as a new form of prejudice derived from political conflict.

[Kim Kyong-won] This paves the way for us to enter into the discussion of the causes of regional conflict. In your opinion, does the regional conflict that has become a current issue originate in politics?

[Kim Kyong-tong] That is the conclusion drawn from analyses by many experts and actual surveys. We cannot single out a specific politician who is responsible for the phenomenon, but I think the regional conflict generated by political problems surfaced following the establishment of the Republican Party government.

[Kim Ik-ki] Many trace regional conflict back to the era of three Kingdoms or to the reign of Wangkon, the founder of the Koryo dynasty. But survey shows that the regional conflict became serious in the 1960's following the establishment of the Republican Party government. On the political plain, the regime that lacked legitimacy attempted to maintain its power by hiring only those in the inner circle after its inauguration, and this must have bred many problems. Economically, a gap appeared between the Yongnam and Honam areas as investment was concentrated in the Yongnam area for industrialization, leaving the Honam area in the state of an agricultural society.

[Kim Kyong-won] You said that the regime hired only people from the area its ruler came from because it lacked legitimacy. Your analysis seems arbitrary, or so it seems. Isn't it more reasonable to assume that greater the extent of the illegitimacy, the harder the regime must have tried to hire its personnel from wider areas?

[Kim Ik-ki] What I meant to say is that because the regime lacked legitimacy, it could not trust others and had no choice but to hire only close associates. For example, don't you agree that at the terminal days of the Pak Chong-hui regime, it tried hard to hire only those in close circles?

[Kim Kyong-won] That tendency should be regarded as a natural phenomenon in the relationship in politics and government as illustrated by the Georgia Mafia under the Carter administration, the story of the subsequent Reagan Mafia, and the attention pivoted on Clinton intimates following his election to the presidency. I cannot find a direct link between the issue of the legitimacy of government and the issue of regionalism.

[Kim Ik-ki] Economically, development projects were concentrated in Ulsan and other localities in the Yongnam area following the debut of the Pak Chong-hui regime, and the regional gap between the rich and poor areas became wider, a phenomenon unprecedented. In addition, the perception of the gap and the prejudice of people in one area against those in another area came to assume a new characteristic. For example, an extremely negative perception of the people of the Honam area became fixed. The ratio between the population of the Yongnam and Honam areas had remained steady until the early part of the 1960's. But when the economic development policy was undertaken, there began a mass exodus of farmers from the Honam area. Most of those who left their native places in the Honam area were poor, and this fanned the discriminatory feeling against them. The fundamental prejudice caused a gap, which in turn sharpened the prejudice.

[Yim Hui-sop] It is important to note that the Honam area was an agricultural society, but it is difficult to conclude that the economic development policy for industrialization was deliberately concentrated in the Yongnam area. There were big landowners and many tenant farmers in the Honam area because it has a vast expanse of farmland. The sense of class consciousness and social alienation between landowners and tenant farmers was relatively sharper in the Honam area than in the Yongnam area.

In addition, those in power must have tried to maintain the Honam area as an agricultural zone as much as possible because it was a granary.

Anyhow as the economic development policy progressed, the gap between industry and agriculture widened. In my view, this was not the result of any deliberate intention from the beginning. I would say that industrial complexes were concentrated in the Yongnam area as efforts were made to preserve the plains as an agricultural zone and build industrial estates in narrow level land in mountainous areas.

[Kim Kyong-won] The civil war in America may be cited as a graphic example showing how serious a regional conflict stemming from economic causes could become. The conflict between the industrialized North and the agricultural community in the South developed into a horrible civil war, entangled with complex racial problems. But there is no prejudice against the fact that the young governor of Arkansas, one of the most backwoods states in the United States, has been elected to the U.S. Presidency. An analysis of this difference leads us to conclude that the unfair political competition in our country has acted as a catalyst for aggravating regionalism.

[Kim Kyong-tong] When one tries to make a rational choice for the purpose of industrial development, one should take into consideration all conditions, such as the infrastructure of the area concerned and its local characteristics, in an objective manner. In this sense, we may assume that in the judgment of the policy planners in those days, the southeastern region had a more favorable condition for industrial location than the southwestern region. Regional political ties are somewhat stronger culturally in our country than elsewhere, but such ties can be found in any society. The problem is that a gap was generated as a result of these ties. Instead of making an effort to remove the gap, some political groups rather tried to take advantage of it, thereby aggravating the conflict.

[Kim Kyong-won] You stated that some political groups tried to take advantage of the economic conflict. But in my opinion, where there is a conflict, it is a legitimate function of politicians to take advantage of that conflict; and this is rather a normal phase of the political process. Let us examine the reason why the regional conflict has aggravated in our country. There was no room for class conflict under the peculiar situation of national division, and this made regional conflict operate as a "substitute conflict" for other forms of conflict. In this process, the regional conflict became further aggravated. This is to say that because there was no class conflict or a conflict between the conservatives and progressives as is common in other countries, it is possible that regional conflict has functioned as a substitute for these other forms of conflict. Practically, politics in our country has been conservative in the whole because the given condition in our country was not conducive to progressive politics. I hope you agree.

[Yim Hui-sop] The military regime which may be viewed as having lasted from the 16 May military coup through the Sixth Republic may be regarded as the regime of the Kyongsang Provinces as well as a military regime. As that regime lasted for over 30 years under these circumstances, our society became entrenched naturally with inequality, coupled with preference based on regional ties, in every aspect such as personnel administration and economic development. The gap thus created showed its cumulative effects with the passage of time, culminating in an acute issue of regional conflict as we see it today.

Therefore in my opinion, the gap did not necessarily stem from deliberate discrimination. As the regime lacking legitimacy has lasted over 30 years under the circumstances in which the natural gap described above widened, the natural gap that grew insidiously has now developed into an arbitrary sense of discrimination. This sense become particularly conspicuous in the Honam area. The people in the Honam area justify their sense of discrimination because the regime that has lasted since the Third Republic is responsible for the gap. So-called class conflict, in the final analysis, is the outcome of such gap and not the cause of regional conflict. Take the Kwangju uprising for instance, it started purely as a democratic movement, but it gradually transformed into a class movement, and eventually into a regional conflict.

[Kim Kyong-won] We may say that conflict is everywhere. But in our country, class conflict did not surface because of the peculiar situation of national division. In other words, I think that things such as the camaraderie among the alumni and regional competition surfaced as a substitute conflict, which has deteriorated into a regional conflict.

Viewed from another angle, suppose we have achieved national reunification, the people in the North would remain poorer than their fellow countrymen in the South for a considerable length of time, and this would give rise to a regional conflict between North and South, a conflict on a different plain. Therefore, we need to make preparations and work our countermeasures in anticipation of this development.

Germany has been unified politically, but spiritual reunification is yet to be achieved. In reality, people in East Germany have a considerably strong sense of deprivation or the sense of being a victim of persecution.

Because our society is in a special situation as a divided country, regional conflict has surfaced as a substitute conflict for other forms of conflict. Anyhow every society has its own conflict.

[Kim Ik-ki] Your analysis seems to represent the viewpoint of conflict- based determinism. Do you think there was in reality a conflict similar to our regional conflict in Germany before its unification?

[Kim Kyong-won] There was a regional conflict of their own. In every society conflict exists, beginning with human feelings and including conflict between political parties.

At any rate I don't think we can find a conclusion to this argument so easily. So, believing that our argument has brought the issue into focus, I would like you gentlemen to express your views on methods for resolving the regional conflict.

[Kim Ik-ki] To begin with, we may mention roughly two ways of resolving regional conflict, namely, a symptomatic approach and a statutory and institutional preventive approach.

First, if there are complaints about the economic gap between different regions, particularly between the Yongnam and Honam areas and the unfairness in personnel administration particularly in favor of the Yongnam area—the factors responsible for the malady, then these causes must be removed in a rational manner. That is what I call a symptomatic remedy. To be more specific, this remedy includes: elimination of the economic gap by, for instance, attracting big businesses to the Honam area; wide-ranging democratization; fairness in personnel appointments; increased inter-regional exchanges; and shift in generation in the political leadership.

However, survey shows that the state of regional conflict has so aggravated that it may now be called a ruinous national disease. Thus it has become impossible to resolve the heart of the problem by this kind of symptomatic remedy alone.

Therefore the symptomatic remedy must necessarily be accompanied by statutory and institutional measures as a more fundamental and preventive approach. To this end, we need the legal and institutional brakes that will render discrimination fundamentally impossible—measures such as: the enactment of legislation specifically requiring the adoption of regional quotas for employment and the abolition of the space for one's permanent domicile in the job application form; and measures to encourage people to use standard Korean.

[Kim Kyong-won] You say the state of regional conflict is so serious, but what is the standard of measurement you used in your judgement? Do you say that in comparison with other countries?

[Kim Ik-ki] The seriousness is corroborated by the fact that the degree of dislike for people in a specific region (Honam) entertained by people in other areas is high despite that we are a homogeneous people. To be more specific, the overriding fact that affected the outcome of the last presidential election in 1987 was regionalism, and this fact alone points to the seriousness I mentioned.

[Yim Hui-sop] There is some truth in what both of you say. But I like to focus our argument back on ways of resolving regional conflict.

I just proposed to return to the discussion of solutions, but no concrete suggestion comes to my mind for the moment.

It is important to work out various artificial institutional devices designed to eliminate the sense of discrimination over the regional economic gap, for instance. But fundamentally, I belive that unexpectedly the issue can be solved easily if only the standard of universality and the rule of fairness are observed in all national policies. Fairness and justness are the most important key to resolving class conflict also.

True it is important to take artificial measures such as purposefully concentrating development projects in a particular region, the Honam area for instance, and working out a statutory device for insuring fairness in employment. But basically, I would say that we can be optimistic about resolving regional conflict if all the three standards—universality, fairness, and justice—are thoroughly observed in the process of implementing state policies.

[Kim Kyong-won] While agreeing to Professor Yim's optimistic view for now, I would like to point out another worrisome factor, namely, the fact that the unwanted regionalism that has been formed in the past persists consciously or subconsciously at the bottom of our minds so that it is not likely to go away easily in a short period of time, even if we make concentrated efforts.

Inasmuch as we feel acutely about the damage done by our deep-rooted regionalism, each citizen, let alone political leaders, should work hard to eliminate regionalism without overlooking the fact that the process of resolving will take a long time. On the other hand, even if regionalism is gradually resolved, there is the high possibility that the sediment of regionalism will lurk in the corner of our minds for a long period of time. Therefore sustained attention should be paid to eliminating even this residual feeling on a long-range basis.

Yet it worries me that some political groups are suspected of trying to continually fan regionalism so that they may take advantage of it as before, looking away from this basic common sense.

To understand this apprehension, it suffices to look at the behavior of various parties under the current three-party system.

I would say that one of the important factors in eliminating the regional conflict is, as pointed out earlier by other professors, the determination to practice the basic democratic principles, such as the observance of the rules of fairness and justice in the process of policy determination. In this connection, I like to make one more point before proceeding further, the point that the process of democratization may contrarily give rise to the phenomenon in which various aspects of the regionalistic sentiment, such as preference based on regional ties, that have been constrained below the surface thus far under the authoritarian rule, are freely manifested.

[Kim Ik-ki] That is right. It is absolutely essential to bring the submerged regionalism to the surface and eliminate it. There have been various efforts by numerous organizations, such as "The National Council for the Elimination of Regionalism," aimed at combating regionalism. But it is too early to be optimistic even though these efforts appear to be positive. Regional conflict became acuter at each election time.

[Kim Kyong-won] I just hit upon one method of resolution in my mind. I suggest that no one vote for a politician who is trying to take advantage of regionalism.

[Kim Kyong-tong] In connection with the observance of universality, justice, and fairness in the process of policy formulation, we need to emphasize the importance of the democratic consciousness of each citizen.

For this reason, the coming presidential election must be a truly democratic election which will overcome the problems of regionalism. In other words, the voters should not be bound by their regional ties but cast their votes on the basis of the programs of political parties or the personal qualities of the candidates, thoroughly rejecting money- or power-based electioneering. Another key to eliminating regional conflict is for each individual, as well as each political organization, to strictly observe the rules so that no one will complain.

[Yim Hui-sop] Inasmuch as the conventional regionalism will not disappear overnight, we can hardly say that the coming presidential election will decide the issue of regionalism once and for all.

Looking ahead toward the 21st century, we foresee a shift in generation in the political leadership and a more hopeful state of democracy than now in every aspect of social life. I believe that in the 21 century when we have to play our role in the world stage, we will no longer have the anachronistic situation in which our people used to be obsessed with their regional interests and wrangle with each other over these interests.

[Kim Kyong-won] I agree. At a time when we will have to greet national reunification within the community of nations, we should not fail to transcend and do away with regionalism, an evil practice ruinous to the survival of our nation. In conclusion, let me say that this has something to do even with the good sense, personality, and morality of each individual.

* Shock Wave of Secret Officer Group 'Aljahoe'

* Similarity to 'Hanahoe'

932C0052A Seoul CHOSON ILBO in Korean 15 Nov 92 p 18

[Article by correspondent Pang Chun-sik: "Stir Over 'Aljahoe'"]

[Text] The exposure of Aljahoe was shocking because Aljahoe started as a private organization of junior Army officers inside the military where obeying orders from the top and loyalty to organization are of vital importance.

The military authorities have not gone beyond reassigning those involved to other positions in taking disciplinary action, on the grounds that "Aljahoe was dissolved in 1986 to all intents and purposes and there has been no particular move since then."

However, the alumni association of the 38th Korea Military Academy [KMA] class expelled the Aljahoe members by a "trial by default," so to speak. There is also a strong voice demanding their discharge from service.

Key members of Aljahoe became the target of criticism by their classmates who are not affiliated with Aljahoe because they were ensconced in special positions in Army units in the capital city and exchanged their posts among themselves.

Although aware of this criticism, the military hierarchy seems to be perplexed by the "unexpectedly" tough reaction of non-Aljahoe officers.

Alumni of the 30th and subsequent KMA classes (with the rank of lieutenant colonel with seniority or full colonel) and other field officers (from ROTC, Category A, and the early three-year Military Academy) pointed out: "The military leaders overlook the fact that some Aljahoe members were overbearing in their attitude toward non-Aljahoe officers."

By way of illustration these critics cited the fact that a certain Aljahoe member unscrupulously said to one of his non-Aljahoe classmate, "you are nothing but the bubble (when compared with the cream." The occasion was an evening gathering of members of the 38th KMA class which was held in July at the War College while they were in training courses there.

When Aljahoe was inaugurated, its charter members limited its membership to 12, modeling after the 12 Apostles, as if they were "the Apostles of the Gospels." It is the consensus of non-Aljahoe officers that this fact, despite its comicality, gives a glimpse of the ulterior motive of the organizers.

Members of the KMA 38th class, who take the toughest stance on the issue of meting out punishment to Aljahoe, reportedly expressed misgivings as well as a sense of dissatisfaction about the fact that the system of "Yusin Grade-5 posts" was abolished when they graduated. A concerned Army officer said that all KMA graduates of the 30th class and above were assured of their promotion up to the rank of full colonel in the absence of any fault, so they vied with one another to get promoted to the rank of general officer. But now members of the subsequent classes have to compete fiercely with their classmates for the rank of lieutenant colonel.

Non-KMA officers look upon the Aljahoe scandal with the apprehension that now that even KMA graduates have to compete for promotion to the field officer grades, there is little room for them to get a promotion.

In addition, officers of non-KMA origin look upon Aljahoe with a strong sense of suspicion because its methods of initiation and organizing are so similar to those of Hanahoe. The two organizations have these similarities: 1) both are secret organizations in which each class comprises a separate group; 2) relatively, members are elite officers who exhibited their leadership quality as senior 'hwarang' in their KMA days; 3) members rotated key positions in the Army among themselves. Another similarity is that although the two organizations were officially dissolved, they still maintain their undying vitality with their members "leading and supporting" one another behind the scenes. The military authorities claim that Hanahoe was disbanded in connection with of the Yun Pil-yong incident in 1973. But its vitality continued through the Fifth and Sixth Republic.

Officers who claim that Hanahoe still exists cite as proof the fact that President Chon Tu-hwan ordered the dissolution of Hanahoe through the office of the Chongwadae security force, and subsequently President No Tae-u has issued similar orders on three occasions during his tenure.

Yet the Army hierarchy is taking an easy-going attitude saying that there is no trouble because Aljahoe has nothing to do with Hanahoe and its members are young officers of the ranks of lieutenant colonel and below.

A certain officer said, "the judgement of the leadership overlooks the possibility that when Aljahoe members rise to higher ranks in the future, they will use their organization for 'ulterior' purposes."

It is possible that a private organization in the military, even if it is organized for a good cause, by nature will derange the official command structure of the military and change its color at any time. [Box, p 18] Key Figures with the Hanahoe background: KMA Names, 11th class: Former President Chon Tu-hwan; President No Tae-u; Independent Assemblyman Chong Ho-yong; Choe Song-taek, former president of the Petroleum Development Corporation; DLP [Democratic Liberal Party] Assemblymen Kwon Ik-hyon and Kim Pok-tong; An Kyo-tok, senior presidential secretary for civil affairs.

12th class: DLP Assemblymen Pak Se-chik and Chong Tong-ho; An Pil- chun, minister of health & social affairs; Pak Hi-to, former Army chief of staff.

13th class: DLP Assemblymen Sin Chae-ki, Chong Tong-ho, and Yun Tae-kyun; O Han-ku, former DLP assemblyman; Yi U-chae, former minister of telecommunications; Defense Minister Choe Se-chang; U Kyong-yun, former president of Tokpyong Country Club.

14th class: Pak Chong-ki, chairman of Handok Insurance Company; former Defense Minister Yi Chong-ku; DLP Assemblymen Pae Myong-kuk, An Mu-hyok, and Yi Chun-ku. 15th class: Yi Chin-sam, minister of sports and juvenile affairs; Min Pyong-ton, former KMA superintendent; Na Chung-pae, ambassador to Saudi Arabia; former Justice Minister Yi Tae-hui; DLP Assemblyman Kim Sang-ku; and Ko Myong-sung, former commander of the Army Security Command. 16th class: Chang Se-tong, former director of the Agency for National Security Planning; Choe Pyong-uk, director of national railroads; DLP Assemblyman Chong Sun-tok; Song Yong-sop, chairman of the Joint Chiefs of Staff; Sin Mal-yop, former Army commander.

* Characteristics, Activities

932C0052B Seoul HANGYORE SINMUN in Korean 15 Nov 92 p 3

[Article by correspondent Kim Song-su: "Attention Is Focussed on the Character of 'Aljahoe,' a Private Organization Inside the Military"]

[Text] The exposure on 13 December of the secret activities of Aljahoe, a private organization in the military composed of field and company officers among KMA [Korea Military Academy] graduates, has aroused concerns about the character of that organization and its relationship, if any, with Hanahoe, which wielded its power inside and outside the military under the Fifth Republic.

Most of non-Aljahoe officers among the KMA graduates who are antagonistic to Aljahoe are angry, and attention is now focused on how these officers would react to the measures being taken by the military authorities to settle the Aljahoe case. The authorities have ordered the dissolution of Aljahoe and taken steps to put Aljahoe members in a disadvantageous position in personnel administration.

Explaining the genesis of Aljahoe, concerned officials in the Army and the Army Security Command [ASC], said that some cadets of the 34th KMA class, feeling that "they had classmates but no friends in whom they could confide," organized Aljahoe in 1976 when they were in the KMA junior year.

Modeling after the "Twelve Apostles," the membership was limited to 12, and in May 1977, the following year, the 12 went hiking to Mt. Soyosan, where they named their organization "Aljahoe" and pledged to help each other when they became commissioned officers.

Upon commissioning, these cadets made a selected members of the 35th class, their juniors, organize a similar group among themselves, to whom they bequeathed the name of Aljahoe in an initiation ceremony. Aljahoe continued through the 43d class by the same method.

It was during the process through which members of the 42d class were handing over the private organization to members of the 43d class in 1986 that its existence was uncovered by the Army Security Command [ASC].

Thereupon the ASC issued a verbal order to dissolve Aljahoe and had some of its members sign a pledge. According to concerned ASC officials, since then the

ASC has kept an eye on Aljahoe members but no particular activities were detected; therefore the ASC concludes that to all intents and purposes, Aljahoe was on the road to its demise beginning at that time.

Contrary to the ASC explanation, however, some observers in and out of the military think that Aljahoe members stepped up their activities beginning in 1983 and later the brakes were applied while Aljahoe was in the process of transformation from an organization of "friendship and mutual assistance" into an "interest group."

According to these observers, Aljahoe members were on their good behavior for a while after their organization was detected by the ASC, but they soon resumed their activities as an "interest group." The same observers cite the following facts as proof of their claim: that during a training course at the War College in Chinhae last July, an Aljahoe member said to his non-Aljahoe colleague, "you guys are noting but the bubbles"; and that despite the difficulty of a collective action within the military, members of the 38th KMA class resolved to expel Aljahoe members from the alumni roster the class, claiming, "Aljahoe members have received preferential treatment in promotion and placement."

The Army authorities refute this claim in these words: "Because Aljahoe was organized with relatively outstanding KMA cadets at the center, there are about 20 of them hold positions commonly known as the cream of employment, such as in the Army Headquarters Office of Personnel Management, the Presidential Security Force, the Capital Defense Corps, and the War College faculty. There were about five to six cases of job rotation among some Aljahoe members."

Aljahoe members and the military authorities claim that Aljahoe is merely a "friendship gathering." But Aljahoe has these characteristics: 1) the number of membership is fixed at 12 for each class and the group of one class is vertically linked to the group of the next class under the same name; 2) Aljahoe has no bylaws, holds no regular meetings, and has no representative; and never have all its members gathered together. With these characteristics, Aljahoe is very similar to "Hanahoe," which was a subject of heated controversy as a secret organization within the military under the Third through Fifth Republics. This similarity fuel suspicion that Aljahoe must have some link to Hanahoe.

Some military authorities deny this suspected linkage and view Aljahoe as an epigone of Hanahoe. According to them, Hanahoe actually came to an end with the 22d and 23d KMA classes, and Aljahoe was organized after the pattern of Hanahoe. To prove their point, these authorities point out that there are no guardians for Aljahoe and the organization of Aljahoe is too loose compared with Hanahoe.

On the contrary, some observers look upon Aljahoe as Hanahoe's successor. They claim that Hanahoe, although it was supposed to have dissolved on the surface, in substance its links still survive. As proof of their argument, they point out that there is not a single one hailing from the Honam area among Aljahoe members in the case of the 38th and 39th classes, and that officers hailing from South and North Kyongsang Provinces and Taegu form a majority of the Aljahoe membership in each class. They claim that Hanahoe changed its name and controlled its members under a new name when it became a target of criticism.

Action taken by the Army leadership to quell the stir over Aljahoe has been virtually completed. All that they did was they decided to transfer 20 Aljahoe members in key positions to other positions in two steps: in the first step those officers who have held their current positions over one year will be transferred forthwith; and in the second step the remainder who have held their positions for less than one year will be transferred as soon as they have served for a full one year.

In connection with the stir over the Aljahoe case, Choe Sung-u, Army deputy chief of staff for personnel affairs, called in 150 non-Aljahoe members of the 34th through 43d KMA classes, 15 officers from each class, to hear their views on the case. After his meeting with them, Choe said: "some non-Aljahoe officers, agitated by their belated knowledge of the existence of Aljahoe, are demanding the discharge of Aljahoe members from active duty. But their wholesale discharge would not only shake the infrastructure of the military but also arouse animosities between Aljahoe members and those who attacked Aljahoe. Therefore, too stern a measure like their mass discharge from service is not in order."

Choe Sung-u disclosed that the military will wind up the case by meting out a reasonable disciplinary action to those 20 officers in key positions so that they may be put in a disadvantageous position in personnel affairs.

In response, an officer who is a KMA graduate and non-Aljahoe member said, "many non-Aljahoe officers feel righteous indignation at the erratic behavior of a handful of elitists," adding that "I am disappointed by the attitude of the military leadership who called in the class leaders and influential officers among members of each class in order to coax them into swallowing a temporizing settlement." He further said, "I doubt that the current stir will subside and unity will be achieved among the military personnel as hoped by the military leadership who try to settle the Aljahoe case by merely transferring some of its members."

It is suggestive that some reserve officers made this observation: "Hanahoe rather closed its ranks after it was hit hard because of the so-called Yun Pil-yong case in 1973. This historical experience makes us apprehensive that Aljahoe, too, might tighten its loose organization while its members are experiencing an ordeal."

* Prudence Urged

932C0052C Seoul TONGA ILBO in Korean 17 Nov 92 p 23

[Text] Amid the persistent demand by members of each KMA [Korea Military Academy] graduating class for punishment of Aljahoe members, a high-ranking authority in the Army Headquarters stated on 17 November that the adoption by the alumni association of a certain KMA class of a resolution and demand on a specific issue by going beyond the purpose of friendship falls under the category of action taken by a private organization in the military. Attention is now directed at what action the military will take in response to such demand.

The same authority made this point: "The alumni association of each KMA class is scheduled to have a year-end meeting, and some officials are apprehensive that this might add fuel to the stir over the Aljahoe case. But we have no intention of banning or controlling these gatherings and will leave them to the discretion of those involved. However, if they adopt resolutions or demands in these meetings, that will constitute an act of a private organization."

The same authority said that at the beginning, the Army high command decided not to make an issue when KMA graduates hold separate meetings by each class to discuss the Aljahoe case, even if they criticize the stand of the high command. But, he added, Army staff officers are of the opinion that adopting a resolution or demand in the name of each graduating class can be construed as a group action was aired among the. However, the same authority disclosed that the high command will finalize its overall stand on the Aljahoe case, including the nature of the directive to be issued by Army Chief of Staff Kim Chin-yong, pending the subsiding of the stir over the Aljahoe case and the completion of the investigation into the scandal involving the Pusan Logistic Command. He added that as of now the executive officers of the Army Headquarters are screening candidates for promotion, shutting off all contacts with the outside. They are not having any particular meeting to discuss the Aljahoe case.

Meanwhile, in connection with the remarks made by Assemblyman Kang Chang-song (Democrat) in the National Assembly to the effect that there is another private organization called "Mannahoe" in the military, the Army Headquarters held a meeting on 16 November at which it was reaffirmed that: "Since Army Chief of Staff Directive 1 was issued on 1 February, the Army has endeavored to ascertain whether or not private organizations exist within the military. In this process, however, no organization by the name of Mannahoe has been found."

The Army Headquarters said: "The directive calls for the dissolution of private organizations and declares that no individual should suffer disadvantage because he joined a private organization in the past."

The demand by non-Aljahoe officers for a strong punitive action includes: discharge of Aljahoe members from service; their dismissal from their current positions; and their exclusion from influential posts in the future.

Before the end of the year, meetings of KMA alumni classes are scheduled for each Sunday—the 41st class on the 11 November and the 42d class on 29 November at the KMA. The 39th class had a reunion on 10 November, before the Aljahoe case surfaced. Reportedly, executive members of the 39th class are making the rounds of those stationed in frontline areas who were unable to attend the reunion, soliciting their opinions as to whether Aljahoe members should be expelled from the class alumni association.

* 'Aljahoe' Members Expelled

932C0052D Seoul TONGA ILBO in Korean 16 Nov 92 p 23

[Text] Last Sunday, 15 November, 160 members (majors, commissioned in 1981) of the KMA [Korea Military Academy] 37th class and 180 members (captains, commissioned in 1984) of the 40th class hurriedly converged on Seoul from their posts scattered throughout the country to hold separate meetings at the KMA to discuss the Aljahoe case. In this way the stir over the Aljahoe case is spreading more and more.

Members of the 37th class had a full-dress debate on the issue in the Hungmu Hall of the KMA from 1000 till 1700, at which they decided not to expel the 12 classmates belonging to Aljahoe but to watch what action the Army high command would take. On the contrary, at a simultaneous meeting held in the Army seminar hall, the 40th class decided to strike out all of the 12 Aljahoe members from the roster, criticizing the temporizing measures taken by the Army high command against the Aljahoe case.

Commenting on the decision of the 40th class, an Army authority said: "Young officers criticized the stand of the Army high command during an alumni meeting of their class. What transpired in the process of internal debate was not out of the ordinary, and the Army does not take it as a case of disobedience." He added, "there is no change in our stand that the Aljahoe case should be dealt with under a long-range educational and organizational approach, by transferring Aljahoe members to other posts and executing special personnel supervision, and so forth." Of the total 120 Aljahoe members from the 34th through 43d class, 20 (lieutenant colonels, majors, and captains) have been known to hold important positions in military establishments in the capital zone; and the Army has already transferred eight of them who served more than one year in their positions to frontline units in accordance with the aforementioned stand. Army authorities said that the remaining 12 will be transferred to other positions next year.

At the 15 November meeting, members of the 37th class adopted the majority opinion that "although Aljahoe members have impaired the prestige of the Military Academy and undermined the unity of the military by forming a private organization, we should support the plan of the Army high command to solve this issue." The opinion says, "expulsion of Aljahoe members from the association of classmates is in itself undesirable from the point of view of the unity of the military."

On the contrary, members of the 40th class said, "the Army high command's settlement plan cannot be viewed as an appropriate action against those officers who formed a private organization." "Transfer to frontline units," they added, "is a routine personnel action normally experienced by almost everyone in military life; therefore the transfer of eight Aljahoe members to frontline positions does not mean much in terms of disciplinary action."

With the names of all the 120 Aljahoe members written down on the blackboard, members of the 40th class discussed the Aljahoe issue and resolved to expel the 12 members from the alumni association of the class.

They demanded that "the military high command keep an eye on all Aljahoe members in personnel management so that they may work in those positions in which they cannot exercise their influence."

The 15th November meetings of the 37th and 40th class were originally scheduled as a year-end class reunion. But, meantime, the Aljahoe scandal cropped up; and when they met, they discussed the Aljahoe issue by an emergency motion. Among the members of the 37th and 40th class present were seven or eight Aljahoe members, who apologized by saying, "we are sorry we were the cause of discord and stirred up trouble."

Among the members of the 37th and 40th class present, quite many wore combat fatigues because they had to come hurriedly from the frontline areas. Some even came in a chartered bus.

Burma

Karenni Rebels Attack Rangoon Power Station

BK0201070193 Rangoon Radio Burma in Burmese 0630 GMT 2 Jan 93

[Text] A unit from the KNPP [Karenni National Progressive Party] terrorist insurgent organization attacked the Lawpita Hydroelectric Power Station with 2.75 rocket launchers three times at 0730 yesterday. The terrorist insurgents retreated and fled after our military column returned fire. No damage to the buildings and people at the Lawpita Power Station were reported from the insurgent attack.

Kachin Leader Denies Talking With SLORC

BK0201013793 Bangkok THE NATION in English 2 Jan 93 p A2

[Text] Anti-Rangoon ethnic Kachin leader Brang Seng has strongly denied that he would hold talks in Bangkok with the ruling Burmese junta and that his Kachin Independence Organization (KIO) will sign a peace agreement with the regime.

His remarks were aimed at countering mounting speculation that his organization, one of the strongest armed ethnic guerrillas fighting Rangoon for equal rights and greater autonomy, will follow in the steps of some of its allies in northern Shan State in signing a peace pact with the military junta.

After a mutiny in early 1989 to topple the ageing hardline leaders of the Burma Communist Party that led to the dissolution of the Maoist group, the Wa and the Kokang, the main component members of the BCP, then entered a ceasefire agreement with the ruling junta officially known as the State Law and Restoration Council (SLORC).

A number of smaller armed ethnic groups such as the Pa-O and Palaung though retaining their arms, also followed suit.

In an interview early this week, KIO Chairman Brang Seng rejected as "baseless rumours which are as old as the hills," the speculation that he and his group will negotiate with Rangoon to abandon their armed struggle.

He said he was "very surprised" to hear the rumours upon his arrival recently at the Thai-Burmese border from his headquarters in Kachin state. He added that the KIO has no intention of doing so. Any such talks would need the approval of the Thai Government, the host country, and that Rangoon had first to agree to the event, he said.

"I have never heard of such an arrangement (for peace negotiations.) If there were to be any talks here in Bangkok between KIO and Rangoon then the Thai Government has to approve the the meeting first. It should also be accepted by the SLORC. If the SLORC does not accept it, how can Thailand approve," said Brang Seng.

"Moreover all KIO Central Committee members would have come to Bangkok by now."

Any peace negotiation to resolve the political conflicts and civil war in Burma have to be between the SLORC and the Democratic Alliance of Burma (DAB), a loose umbrella organization composed of about 22 ethnic and Burmese opposition groups, he said.

KIO alone will not take a unilateral move to negotiate or talk with the SLORC he added.

At least the KIO has to seek a mandate from the DAB and the NDF (National Democratic Front, which is an alliance of nine border-based armed ethnic groups), if such a meeting were to take place," said Brang Seng. [no opening quotation marks as published]

The Kachin leader has urged the Thai Government to help end the four decade-old political and arms conflicts in Burma by initiating a peace solution for Burma.

He said he personally believes that Thailand is in a position to play such a role as it is in "a unique position, having good rapport with both the SLORC and ethnic and opposition forces."

He said EC and other Western countries, though they sympathize with and give moral support to ethnic and pro-democracy movements in Burma, cannot apply pressure on the SLORC to step down or negotiate with its foes.

As for China, a SLORC supporter Brang Seng said he had been informed by some Chinese Burma watchers that Beijing would be reluctant to take such a leading role for fear of being seen as a big country bullying a smaller nation.

'High-Level' Repatriation Meeting Held in Chittagong

BK0501093393 Rangoon Radio Burma in Burmese 0630 GMT 5 Jan 93

[Text] A high-level official Myanmar [Burma]-Bangladesh meeting was held at the Commissioner's office in Chittagong, Bangladesh, on 30 December at 1200. The meeting ended at 1315.

The Myanmar delegation was led by U Maung Aung, director general of the Immigration and Manpower Department [IMPD]; U Saw Thein, director general of the Relief and Resettlement Department; U Ngwe Tun, director of Attorney Generals' Office; U Thet Le, director from the Foreign Ministry; Lieutenant Colonel Myo Myint from the Directorate of Defense Services Intelligence; U Than Aye director from the IMPD; Major Khin Maung Aye from the Ministry of Defense; and U Tin Maung Lwin, deputy director from the

IMPD. The Bangladesh delegation was headed by the Chittagong commissioner, Mr. Mohamed Omar Farooq, and members.

Brunei, Malaysia & Singapore

Malaysia

Foreign Minister Lauds Signing of START II

BK0501081893 Kuala Lumpur Voice of Malaysia in English 0600 GMT 5 Jan 93

[Text] Malaysia has welcomed the signing of the second arms reduction treaty, START II, between the United States and Russia. Foreign Affairs Minister Datuk Abdullah Ahmad Badawi told the Voice of Malaysia the treaty will pave the way for a more peaceful world. The agreement was a step forward in reducing nuclear weapons stockpile. Datuk Abdullah expressed the hope that there would also be a reduction in the testing of nuclear weapons.

Regarding the deportation of 415 Palestinians from Israeli-occupied territories, he said Malaysia had protested against the action. He termed the move as inhuman, especially in view of the severe winter. The minister expressed the hope that they will be allowed to return to their motherland.

Thai Premier's 'Familiarisation' Visit Previewed

BK0501093493 Kuala Lumpur BERNAMA in English 0441 GMT 5 Jan 93

[Text] Kuala Lumpur, Jan 5 (OANA-BERNAMA)—Thai Prime Minister Chuan Likphai's first official visit here beginning Wednesday is set to enhance existing close relations between Malaysia and Thailand.

Malaysian and Thai officials here, who described the visit as a "familiarisation" tour by Chuan since assuming the post in September last year, said they were confident the visit would boost trade and economic cooperation.

The emphasis attached to the two areas could be seen from the presence of 30 businessmen in the 88-member delegation accompanying Chuan, said a Foreign Ministry official.

"The fact that Chuan is visiting Malaysia first before the other countries in the region since assuming the post indicates the close neigbourliness of the two countries," he said.

"We have maintained good relations and it is quite natural for both sides to want to exchange views from time to time," the official said.

Chuan is expected to arrive here just after noon on Wednesday for the three-day visit at the invitation of Prime Minister Dr. Mahathir Mohamed.

He and Dr. Mahathir are expected to exchange views on bilateral, regional, and international issues as well as on the promotion of economic co-operation between the two countries.

The official said mechanisms such as the Malaysia-Thailand Joint Commission and Malaysia-Thailand Joint Authority had further cemented the good bilateral relations between both countries.

Thai Foreign Minister Prasong Sunsiri, who visited Malaysia last month "to acquaint himself with Malaysian leaders" following his appointment to the new Thai Government, had expressed satisfaction with the existing framework of the joint commission and the general border committee.

He had said there were hardly any outstanding political issues affecting the two countries that were a cause for alarm.

Vietnamese Refugees To Return Home Voluntarily

BK0401101693 Kuala Lumpur BERNAMA in English 0853 GMT 4 Jan 93

[Text] Kuala Lumpur, Jan 4 (OANA-BERNAMA)—A group of 181 Vietnamese boat people will leave for home Tuesday under the voluntary repatriation programme of the United Nations High Commissioner for Refugees (UNHCR). An official of the National Security Council said Monday they would be the first group to depart voluntarily under the programme this year. The boat people, some of whom have been here since 1989, would be going home in family groups, he told BERNAMA here. They would be in time to celebrate the new year, the traditional lunar new year celebration, in Vietnam, he added.

Some 900 Vietnamese refugees have left for home, instead of being resettled in third countries, under the programme which began in 1989. There are still 10,500 Vietnamese boat people in the Sungai Besi transit camp and some 3,000 who are considered political refugees will be resettled in third countires. The rest are waiting for repatriation. Under the UNHCR programme, those who choose to return home voluntarily will be given financial assistance, vocational training and education by the UNHCR and the European Community.

Police Fire on Intruders at Military Complex

BK0401153293 Hong Kong AFP in English 1036 GMT 4 Jan 93

[Text] KUALA LUMPUR, Jan 4 (AFP)—Malaysian military policemen opened fire after two armed men entered a maximum-security defence complex and were seen near armoured vehicles kept on standby there, officials said Monday. The motive of the intruders, who were carrying pistols, had not been ascertained by officials, who ruled out sabotage.

Officials said the entire Sungai Buloh military complex was plunged into darkness by a power cut after the men entered the complex late Sunday night by cutting a hole in a three metre (10 foot) high double-layered fence.

Truckloads of military police combed the sprawling facility where the intruders are believed to have spent about three hours before firing a shot at the police and fleeing, the officials said. Military policemen fired two warning shots after spotting the intruders by an armoured vehicle whose door was found open, the officials said.

The policemen pursued the intruders using tracker dogs but were unable to nab them, they said.

Officials said that the intruders had not tampered with the complex's power supply, adding that the blackout was coincidental.

Cambodian Airline To Fly to Kuala Lumpur

BK0501093993 Kuala Lumpur BERNAMA in English 0651 GMT 5 Jan 93

[Text] Kuala Lumpur, Jan 5 (OANA-BERNAMA)—Kampuchea Airlines, Cambodia's national flag carrier, would launch its inaugural international flight on 11 January with Kuala Lumpur being its first destination.

In a statement Monday, the airline said the flight from Phnom Penh to Kuala Lumpur was the first time that the airline would operate outside the Indochina region.

According to a spokesman for the airline, the choice of Kuala Lumpur as its first international destination reciprocated Malaysia Airlines' pioneering move last March when it became the first international airline to mount regular flights to Phnom Penh.

The statement said Kampuchea Airlines would initially fly on Mondays, Wednesdays, Fridays, and Sundays to Kuala Lumpur and Singapore. The airline recently completed negotiations for the appointment of a general sales agent each for Malaysia and Singapore.

It would also mount flights to other Asian destinations including Jakarta, Hong Kong, and Taipei.

Singapore

Lee Kuan Yew Urges Building 'External Economy'

BK0401132193 Singapore THE SUNDAY TIMES in English 3 Jan 93 p 1

[Text] Senior Minister Lee Kuan Yew has warned that Singapore will be a "failed NIE" [newly industrializing economy] if people are satisfied with success at home and do not dare venture abroad to build an external economy.

In a speech to the People's Action Party [PAP] cadres at its November conference, he said that success and security had made Singaporeans too comfortable and that few had the entrepreneurial dare of people in the other newly industrialising economies (NIEs).

Singapore was already being left behind by South Korea, Taiwan and Hong Kong, which were internationalising rapidly, and ASEAN countries were fast catching up, he pointed out.

"Singaporeans are contented to be stuck at home. We have got to shake Singaporeans up, make them adventurous, or we will be losers."

He said that if they carried on in this way, the other NIEs would be airborne with two wings—a domestic economy and an external economy—in 20 years.

"They will be high up in the sky and we will be earthbound, caught up and surpassed by Thailand, Malaysia and eventually Indonesia".

In the edited text of his speech published in the latest issue of Petir, [PAP Newsletter Publication] Mr Lee began by sketching out the implications of the post-Cold War era. He noted that a less united West meant a more dangerous world, especially for the region.

At home, however, Singaporeans were pre-occupied by peripheral issues such as certificates of entitlements for cars, cost of living, redistribution of wealth and how to spend the reserves.

He stressed that they must be made to realise that the success they had now was only "a sensation of peace and plenty".

"This is neither real nor permanent. We are only halfway there. We are no Switzerland. It is a mountain which we have to keep on climbing" he said.

But Singaporeans did not seem to understand this. Thus Prime Minister Goh Chok Tong and his colleagues were now faced with the problem of convincing a "querulous, sceptical and complacent public that their perception of reality is wrong".

Indeed, the danger of being left behind and losing out to the NIEs was real and would happen in 10 to 20 years unless Singaporeans changed their attitudes.

Urging Singaporeans to refocus on the key issues, the Senior Minister said that they must realise quickly that they could not become successful and prosperous by "talking and concentrating on dividing the pie".

"Singaporeans are pre-occupied by minor aches and little itches. We are missing the big picture. We will be a failed story—one that nearly made it but stalled halfway."

To survive a future of stiff competition from the NIEs and ASEAN countries, and an unstable political and security climate, Singapore must sprout its second wing by going abroad as entrepreneurs and risk-takers.

"We have to convince Singaporeans that they must look behind the temporary euphoria of peace and plenty, and spot the jagged rocks ahead and do something about them now."

Prime Minister Speaks in New Year Message

BK0201150693 Singapore THE STRAITS TIMES in English 1 Jan 93 p 1

[Text] Mr. Goh Chok Tong yesterday gave a more optimistic forecast for 1993 with a projected economic growth of between 5.5 and 6.5 per cent, and urged Singaporeans to ride on the growth in the region or risk being left behind.

"If we do not trade with, invest and work in these fast growing countries, we will miss the boost they can give us," the Prime Minister said in his New Year's Day message.

He also called on Singaporeans to be united and not be distracted by the opposition, which he said had played on the politics of envy and class division during the recent Marine Parade GRC [Group Representation Constituency] by-election.

"Our competition is outside Singapore. Problems within Singapore there always will be. But unless we unite to overcome external challenges, we will deprive ourselves of the strength and resources to keep on doing better for ourselves."

Mr. Goh also gave notice that a White Paper on a goods and services tax (GST) would be published early this year.

The Cost Review Committee would be asked to assess its impact on different groups of Singaporeans, and recommend ways to mitigate its effect on pensioners and low-wage earners who pay little or no taxes.

Over the next few years, the Government will also reduce personal and corporate taxes to strengthen the incentive to work and take calculated risks.

He cautioned that Singaporeans who hoped to earn higher wages must be prepared to pay for the good life, especially in manpower intensive areas such as health care and education.

Mr. Goh began his message by describing the 5.6-per cent growth in 1992 as a "good performance" given the slowdown in the developed countries and a more mature Singapore economy.

Investment commitments last year reached a record $3.5 billion, reflecting the confidence of investors, and promising steady growth for the economy ahead.

The world economic forecast in 1993 would be "somewhat better" than 1992, as the long-delayed American economic recovery was materialising.

But recovery would be slower in Europe and Japan as both were in recession, although rapidly growing economies in South-East Asia and China would continue to offer many opportunities for investment and trade to Singapore companies.

Noting that Singapore's economy should improve to grow by between 5.5 percent and 6.5 percent this year, he said that generating economic growth, attracting investments and creating jobs remained the country's top priorities.

"Unless we can create more wealth, we will not have the means to pay for better homes, education and health care, more secure defence, and more recreation and leisure."

Moving on to the longer term picture, he said that the country's sustainable long-term rate was 4 to 6 per cent a year.

Singaporeans should not resign themselves to this rate of improvement, but add to their incomes through earnings abroad, he said.

He noted that East Asia was set to grow fast, with the new dynamic economies of Thailand, Malaysia, Indonesia, China and Vietnam targeted to improve by between 7 and 9 per cent.

Entrepreneurs and businessmen must be more willing to take risks and overcome inconveniences when working overseas, he said, adding: "Those who venture abroad will do well. Some will prosper spectacularly."

On its part, the Government would support businessmen with public sector expertise, and by setting up Singapore schools in cities where there was enough demand.

On the home front, the Government would continue to pay attention to bread and-butter issues like better housing and education, affordable health care and transportation.

But he added that there were no painless solutions, and that solutions were always designed to benefit as many Singaporeans as possible.

Concluding, he predicted that Singapore would continue to do well if the people remained united, and called on Singaporeans to contribute ideas to improve the country.

"Let us not undo or tear down what we have achieved. Let us consolidate Singapore's success by working as one. Let us strengthen our future together."

Tariffs Lifted on 373 ASEAN Products 1 Jan

BK0301055093 Singapore THE STRAITS TIMES in English 1 Jan 93 p 47

[Text] Effective today—the launch date of the Asean Free Trade Area (Afta) programme—the Singapore Government has reduced tariffs for 373 products to zero percent for imports from Asean countries.

More than $1 billion [Singapore currency] worth of imports from other Asean countries will enter Singapore duty-free as a result, said the Trade and Development Board (TDB), which had earlier briefed about 350 traders on Wednesday.

The imports, originaly taxed between 1 and 2.5 percent, include sugar, confectionery, organic chemicals, clothing accessories and electrical accumulators. But tariffs for import from non-Asean countries remain unchanged.

Under Afta, Asean members have agreed to include an average of 87 percent of their "tariff lines"—or products currently with import duties imposed on them—in the Common Effective Preferential Tariff (Cept) scheme.

The Cept scheme is the main mechanism to set up Afta over 15 years.

It covers all manufactured and processed agricultural products and aims to reduce tariff rates under 5 percent.

Applications for imports under the programme will have to be accompanied by a new Cept Certificate of Origin form.

With the additional 373 lines, Singapore will be offering a total of 5,713—or 93 percent of its tariff lines—at zero rate to the other Asean countries under the Cept scheme.

Singapore's imports from the other Asean countries for these products amounts to more than $21 billion.

Cambodia

24 Students Said Arrested for Interrogation

BK0201042093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 1 Jan 93

[Excerpt] According to sources at the Phnom Penh University, on 20 December 1992, secret agents of the Yuon [Vietnamese] and the Phnom Penh puppets rounded up 24 students from various schools for interrogation, accusing them of leading recent demonstrations against the Yuon aggressors and the Yuon's puppet regime.

Our compatriot students and people in Phnom Penh are very angry with the criminal and fascist activities of the Yuon aggressors and their puppets and lackeys. They say that the Yuon aggressors and their lackeys can do this because of the green light given by and the collusion of UNTAC [UN Transitional Authority in Cambodia] leaders. [passage omitted]

UNTAC Accused of Collusion With Vietnamese

BK0401091193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 3 Jan 93

[Text] On 22 December 1992, 400 people from every village in Kouk Khpos and Kouk Mon communes in Ampil district, Oddar Meanchey Province, met at Sit Serei village to demand that UNTAC [UN Transitional Authority in Cambodia] implement the 23 October 1991 Paris agreement; 15 UNTAC personnel also attended the meeting.

The meeting had three items on the agenda:

1. The people speak and report on the Yuon [Vietnamese] aggressor forces to UNTAC;

2. The people put a number of questions to UNTAC concerning the implementation of the Paris agreement; and

3. The people propose a number of issues to UNTAC.

After the presiding committee opened the meeting, the people reported to UNTAC about the old and new Yuon forces in Cambodia based on what each one of the people knows and witnesses. The people asked UNTAC this question: How can the second phase be entered and how can an election be held since UNTAC has not verified the departure of the Yuon, both old and new, who are everywhere in Cambodia? UNTAC has not allowed the Supreme National Council [SNC] to have a role. UNTAC has not controlled the five ministries.

An UNTAC representative, a Dutchman, then spoke evasively and talked about elections, and so forth. The people shouted in unison: UNTAC colludes with the Yuon; UNTAC should verify the Yuon; UNTAC should allow the SNC to have rights and power; UNTAC should control the five ministries in cooperation with the four parties.

The meeting was held from 0800 to 1000 with a fierce battle between the people and UNTAC. This has made the people in Ampil district clearly realize that UNTAC has not implemented the Paris agreement; UNTAC has not listened to the Cambodian people's requests.

In the future the people have to unite and struggle through every means more actively and vigorously, and more persistently. Only this can force UNTAC, the Yuon aggressors, and the Phnom Penh puppets to genuinely implement the Paris agreement correctly and meticulously.

29-31 Dec KR Truce Violations Reported

BK0201130793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1157 GMT 2 Jan 93

["News flash"]

[Text] According to Security Ministry sources, in Angkor Chum District of Siem Reap-Oddar Meanchey Province on 29 December, the Khmer Rouge's [KR] 57th regiment fired nine DK-82 shells on Kouk Chen village in Ta Pao Commune, hitting an UNTAC [United Nations Transitional Authority in Cambodia] voter registration site, killing a child, wounding a woman, and damaging a house. They also shipped 50 H-107 shells to Kouk Yeam village in Don Pi Commune to shell the district seat of Angkor Chum.

In Svay Leu District of the same province on 31 December between 0800 and 1600, the Khmer Rouge fired 80 shells from DK-82 and D-130 guns from an area northeast of Trapeang Bak Chrang area on the district seat while their ground troops attacked the Trapeang Toek position of the admistrative police station in Kantuot commune, wounding two policemen and a villager and burning three houses, including an UNTAC rented house. They continued to shell the district. On the same day, the Khmer Rouge fired 11 H-107 shells on an area on coordinates 95/15, injuring two villagers and burning two houses.

In the same province on 29 December at 1700, the Khmer Rouge fired six H-107 shells from an area on coordinates 64/21 on Ta Yek area on coordinates VV70/11, and Champei Samraong area on coordinates VV72/07 in Sot Nikom District, killing a villager and wounding two others who were returning from harvesting rice.

In Bakan District of Pursat Province on 31 December at 0600, a group of 30 Khmer Rouge elements attacked our forces' position on coordinates 84/51 at Boeng Kak village in Ta Lou Commune and shelled the communal office, but no casualties were reported. However, they took a video player.

In Preah Vihear on 30 December at 0545, the Khmer Rouge raided the position of the State of Cambodia side's 10th Company at Kdak village in Tbeng Commune of Kulen District.

Our people vehemently denounce the indiscriminate attacks of the Khmer Rouge and request that the State of Cambodia take steadfast measures to protect the people's lives and property, especially their rice yield.

UNTAC Actions Against Khmer Rouge Welcomed

BK0201115993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 1 Jan 93

[Station commentary: "Hope-inspiring and Heartwarming Measures"]

[Text] 1 January 1993 is the day when the 30 November 1992 Resolution 792 of the UN Security Council [UNSC] comes into effect. The resolution is aimed at banning the export of timber from the Khmer Rouge-controlled areas as well as the import of petrol to those areas. The main objective of the resolution is aimed at coaxing the Khmer Rouge into resuming cooperation with UNTAC [United Nations Transitional Authority in Cambodia] and joining a political settlement according to the spirit of the Paris accord, which they signed on 23 October 1991.

However, the Cambodian people, together with foreign observers and diplomatic sources, have expressed doubt about the effectiveness of the enforcement as the Khmer Rouge on 28 December said that they would not allow UNTAC to set up checkpoints in their territory and would not cooperate with the United Nations unless their two key conditions are resolved. So national and international public opinion, focussing attention on UNTAC, is waiting to see what stance UNTAC will adopt toward the Khmer Rouge for their arrogant and cruel attitude.

At a news conference at UNTAC headquarters on 30 December, a spokesman said that to verify and control timber export, UNTAC has taken the following three measures:

1. UNTAC will send peacekeepers to checkpoints along Cambodia's borders respectively with Thailand, Vietnam, and Laos and will also verify and control the two main international ports.
2. UNTAC will assign its Navy forces to control maritime territory.
3. UNTAC will carry out permanent air observation of border areas and regions where trees are felled.

The Cambodian people wish to zealously welcome and wholeheartedly support these steadfast and decisive measures, which have not only made the implementation of the UNSC's Resolution 792 effective, but have also actively protected Cambodia's precious forest resources as well as the environment in the region. Nevertheless, knowing the Khmer Rouge's poisonous, tortuous, and savage nature, our people remain deeply anxious about the mechanism for implementing the UNTAC measures.

People still remember that for more than a year, the Khmer Rouge have repeatedly announced that they will kill anyone who is dubbed a collaborator of the Vietnamese. In the wake of the recent indiscriminate execution of Vietnamese and Cambodian civilians at Ta Cheh Commune in Kompong Tralach District of Kompong Chhnang Province, the Khmer Rouge dispersed leaflets warning of death to all those who cooperate with the Vietnamese. This demonstrates that the Khmer Rouge faction has not changed its attitude in the least. Moreover, both Khmer Rouge leaders and their subordinates have accused UNTAC of collaborating and colluding with the Vietnamese in swallowing Cambodia, and they have even gone so far as to call UNTAC Yuontac [Yuon is a term that refers to the Vietnamese]. The Khmer Rouge have also hurled the same accusation at Mr. Akashi, special representative of the United Nations secretary general and UNTAC head, and have demanded that he step down. That being the case, our people are extremely worried about the safety and security of Mr. Akashi and other UNTAC officials mandated to fulfill their mission in Cambodia. This is because everyone knows that the Khmer Rouge are a group of people who have been trained to carry out their leaders' orders; they know nothing about humanity and morality.

All in all, with UNTAC's massive mission unprecedented in United Nations history, we ardently hope that the United Nations authority will not flounder in the face of threats and intimidation made by the Khmer Rouge rebels and bandits who are selling the nation. The Khmer Rouge's continued persistence in opposing UNTAC is tantamount to challenging all of mankind. So, for this reason, our people pin their hopes on the measures UNTAC has adopted recently and firmly believe that in any case, free and fair elections will be held as scheduled.

UNTAC Criticized Over Poll Registration

BK0301044893 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 2 Jan 93

[Text] Reliable sources say that UNTAC [UN Transitional Authority in Cambodia] leaders recently colluded with the Yuon [Vietnamese] and the Yuon's puppets to falsify statistics on the number of people who have registered for election.

In fact, people living in the zones controlled by the Yuon and their puppets have refused to register. Every time the poll registration team arrives, the Yuon and puppets round up people for registration. The people tear up or burn the registration cards after receiving them. The people say UNTAC leaders and the Yuon's puppets cheated in their proaganda by claiming that the people have registered for election. Whether the people turned up or not, they were counted and their names registered. In fact, no people turned up for the registration.

The people say how can elections be held since there is no verification of the Yuon's withdrawal from Cambodia.

UNTAC Registration of Voters Applauded

BK0401031893 Bangkok THE NATION in English 4 Jan 93 p A6

[Article "contributed" to THE NATION by Michael Hayes, publisher and editor in chief of the PHNOM PENH POST biweekly newspaper: "From Khmer Battle Fields to the Ballot Box"]

[Text] Phnom Penh—While the four signatory factions to the Paris peace accords (along with the new cards in the shifting deck) continue to squabble, while ceasefire violations continue to be logged by the dozens each week by passing week, while widespread violence and intimidation continues to prevent the establishment of a "neutral political environment," and while the imposition of sanctions against the Khmer Rouge for refusing to cooperate with the peace process may pose even greater difficulties for the UNTAC mission, Khmers of all walks of life have stated loudly and clearly—in an overwhelmingly unanimous voice—that, come what may, they are ready to go to the polls (again) in 150 days.

Thus, behind bold newspaper headlines highlighting every new crack in the peace process and the regular intense scrutiny of yesterday's tremor resulting from egregious ceasefire violations, such as the recent artillery duels which displaced 10,000 in Bavel, the story of UNTAC's major success to date—the registration process—remains an unheralded, albeit significant achievement.

More to the point—and more importantly—it is an historic triumph for and definitive statement by the Khmer people who, despite the absence of even the remotest affiliation with any kind of truly democratic electoral process in not-so-recent history, have lined up by the millions to have the chance to cast their ballots in what they hope will be a free and fair election this coming May.

To be precise, the number of people who have now registered stands at roughly 4.4 million out of an estimated 5.5 million eligible voter pool. They have come on foot, teetered chock-a-block in cyclos, sped recklessly by motorcycles, ambled in oxcarts and paddled by boats to over 800 UNTAC registration sites through the country everyday for the last three months.

Quietly and without much fanfare the UNTAC electoral teams, spearheaded by the hard work of over 450 UN volunteers, have managed to reach almost every village and distant corner of Cambodia with the UNTAC story. The Khmers, to their credit, have responded in kind so that over 80 percent of the country's eligible voters are now signed up and ready to cast their ballots.

The Cambodians may not be sure who they want to vote for and, besides they have been told by the UN that they don't have to tell—not now, not ever. But one thing Cambodians know for certain (even if once UNTAC leaves it is likely there will be all kinds of chits collected and distributed depending on who one "says" he or she voted for) is that they want to vote in May.

At the very least, Cambodian political leaders of all stripes should take note of this mandate by the people. And the message the voters have unmistakenly sent to every political party is a simple one: Don't thwart the peace process, don't intimidate us, and don't give us this or that reasons why elections can't be held. Just get out of the way and let us decide for ourselves who should govern the country.

After all, that's what an election—especially the one to be held in five months—is supposed to be all about. The four factions put their names to it in Paris, and that's why the United Nations is spending over US$2 billion of the rest of the world's money so Cambodians can decide by and for themselves who they want to lead the country.

With nary a whimper from the people, the message should be read as a "Yes, we want to decide!"

Registration has proven with only a few doubts that Khmers agree with this idea. Even if they weren't really given the choice in Paris, they have now wholeheartedly endorsed the basic concept.

So, while recent notes on the road of elections could include a rehash of the hostage crises up north or the continued tragic incidents involving threats and assassination of political party members—or the accusations that are thrown back and forth on press releases between "unelected" politicians or the long list of acts of violence that are "still under investigation" by UNTAC—the news that really needs to be highlighted is the fact that the great majority of Cambodia's voters now have one of those light green, laminated UNTAC registration cards in their hands.

Khmers also feel quite strongly about the notion of using the cards this coming May. To prevent them from doing so would be a grave political mistake, one which the people should rightly say they are unwilling to forgive or forget.

A final note on the voter sign-up (or perhaps a better term would be the UNTAC administered "primary election"): While most of "the ballots" are in and the results should be interpreted as a landslide victory in favour of free and fair elections, voter registration has been extended one month until January 31.

Publicly, this is to allow the UN time to offer the 60,000 or so refugees still in Thailand the chance to sign up and, not-so-privately, to give the Khmer Rouge leadership another 30 days to play ball by the UN's rules (although more than a handful of the DK's boys in the field—along with or pushed by family members—have already checked in to get their registration cards).

Racial Conflict, Violence, Crimes Deplored

BK0301104593 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 2 Jan 93

[Station commentary: "Where Is Patriotism?"]

[Text] Lately, the Khmer Rouge and its allies have faced the international community and the Cambodian people's denunciation and growing antipathy against their violation of the accord; their direct attack on UNTAC [UN Transitional Authority in Cambodia]; and their successive murders of Vietnamese nationals in the provinces of Kampot, Koh Kong, and Kratie and recently at Kompong Ta Cheh village, Ta Cheh commune, Kompong Tralach district, Kompong Chhnang Province. However, they have tried to justify their crimes by stepping up their slanderous accusation about the presence of Vietnamese troops in Cambodia and the attempt by the troops to use toxic gas. They have also intensified their threats against the Vietnamese nationals and so on. Together with this, a number of irresponsible reporters and writers, by writing about the hostility between Cambodia and Vietnam, are supporting the Khmer Rouge and their allies. They have even gone so far as to unreasonably and illogically conclude that the genocidal Polpotist gang and its allies are patriots. It is asked whether this action is fair and coincidental or is it a campaign to better the image of the genocidal murderers?

Everyone in the world knows there are quite a lot of countries which had been enemies and had invaded and killed one another's people. However, they have become allies and trade partners based on the principles of peaceful coexistence and respect for mutual interests. That being the case, what is the advantage of raising the century-old problem. Although the past is a mirror of the present and future, it is totally inappropriate to raise an old issue. As a matter of fact, if the Cambodian people consider the past issue to be important, then Khieu Samphan and Son Sen can neither sit in the Supreme National Council, nor can some individuals return to see the motherland.

What is regrettable are the reporters and writers who only consider money to be important. They have bluntly asserted that it not unreasonable for the Khmer Rouge and their allies to make use of the Vietnamese issue as a pretext for refusing to implement the accord and cooperate with the United Nations, and also to accuse UNTAC. They seem to have ignored UNTAC's repeated announcements, especially on its radio and television programs, that for nearly one year, UNTAC has set up checkpoints along Cambodia's borders respectively with Vietnam and Laos and has conducted nine investigations nationwide, except in the off-limits areas controlled by the Khmer Rouge. But UNTAC has not been able to find any evidence to show that Vietnamese troops are still in Cambodia. Also, UNTAC has constantly called on all the Cambodian parties, particularly the accusing parties, to assist in providing proof. Nonetheless, for more than a year, the Khmer Rouge and their allies have continued to hurl blatant accusations without producing any such evidence.

Besides, the issue of the Vietnamese nationals does not exist in Cambodia alone. If we are not mistaken, all the countries in the world have the problem of immigrants. There were more than 500,000 Vietnamese nationals in Cambodia before 1970. In the wake of massacres of the Lon Nol and Pol Pot regimes, the rest fled to Vietnam.

After the liberation and especially after the SOC liberalized the economy, a number of Vietnamese nationals who had lived in Cambodia for generations returned as construction workers, petty traders, fishermen, and so on. What these immigrants earn is just enough for them to live from hand to mouth. They are not able to become rich or big-time employers.

According to well-compiled figures, the number of Vietnamese nationals in Cambodia does not exceed 100,000 at present. They earn a living by following our state law like the Cambodian people. His Royal Highness Prince Norodom Sihanouk has often said that he has not seen many Vietnamese nationals. Some political party leaders have also frequently said that the number of the Vietnamese nationals in Cambodia now is far less than in the 1970's.

What is odd is that these people have not noticed other ethnic minorities who are important merchants and employers in Cambodia. Perhaps these minority groups do not benefit these people in their political exploitation. If they say they fear annexation by the Vietnamese nationals, why are they also not afraid of other ethnic minorities, and why do they focus only on the Vietnamese? Besides, what of the devastation of the forest, natural resources, and gems in the Pailin region by 100,000 foreigners?

Worst of all, the writers claim that the instigation of enmity between nations by the Khmer Rouge and their allies is a patriotic deed. So, we ask how patriotic the genocidal gang is for killing over three million fellow countrymen in only more than three years and for further killing, selling, and ruining the nation, and causing instability and insecurity to the people's livelihood. If the Khmer Rouge can be called patriotic, then Hitler and the diverse fascist cliques should also be praised as patriots and the 1945 Nuremberg verdict reversed.

Everyone knows that when the people and the country were in the genocide inferno and when gods were sought for help, the Cambodian People's Party [CPP] and the State of Cambodia [SOC] Government, with the aid of Vietnamese volunteer troops, had saved the country and nation. For more than 14 years, starting from scratch and with ruins left by the genocidal regime, the CPP and the SOC have guided the people to rehabilitate and rebuild the country to its current level of progress.

Although some individuals who are drunk with foreign culture pretend to ignore the disaster of the Pol Pot regime and do not recognize the country's achievement, Prince Norodom Sihanouk has said that the path followed by the CPP is correct and a continuation of the Sangkum Reas Niyum policy.

The Cambodian people, Buddhist followers taking refuge under the shade of the Triple Jewels, are able to clearly differentiate the good from the bad, right from wrong, genuine patriots from the bogus, and murderers or destroyers of the nation from liberators who are reviving the nation. As always, the Cambodian people desire to live in peace with the people of neighboring countries based on the principle of peaceful coexistence. Our people know their duty of safeguardinging territorial integrity and sovereignty. This is why they support the position of the SOC Government, which has perfectly respected the Paris accord. It is not patriotic at all if efforts are focussed on instigating hostility between nations and fomenting conflicts with a neighboring country which has an enormous population. On the contrary, this will only bring on a war that will endlessly perpetuate the ruination of the Cambodian people.

The proper approach is to follow the SOC policy, that is to exist peacefully with neighboring countries; enhance peace, friendship, and cooperation; and promote mutual interests by respecting each other's independence and sovereignty. In summation, we call on all Cambodian parties to end activities that could cause racial conflict and violence. If they do otherwise, they will be totally responsible to the people and Cambodia's history.

FUNCINPEC Appoints New Delegate to SNC

BK0401035693 Bangkok BANGKOK POST in English 4 Jan 93 p 7

[Text] Prince Norodom Ranariddh's FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] faction recently appointed a second member to the Supreme National Council of Cambodia (SNC), a reconciliation body comprising the four Cambodian warring factions.

A press release from the office of FUNCINPEC in Bangkok yesterday announced the appointment of Mr Sam Rainsy, who heads FUNCINPEC's Department of Economic Affairs and International Cooperation.

Mr Sam Rainsy graduated from Paris University in political science and economics, and has a Master's Degree in Business Administration from INSEAD European Business School.

He worked with various banks and financial institutions in France and joined FUNCINPEC (French acronym for the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia) since the founding of the movement by Prince Sihanouk.

Mr Sam Rainsy also served as the personal representative of Prince Ranariddh in Europe.

Logs Enter Thailand Despite UN Embargo

BK0301052293 Hong Kong AFP in English 0503 GMT 3 Jan 93

[By Sheri Prasso]

[Text] Choam Khsan Border Checkpoint, Cambodia, Jan 3 (AFP)—Hundreds of tropical hardwood logs poured over this Cambodian border post into Thailand at the weekend as Thai loggers flagrantly violated a U.N. Security Council-endorsed ban on log exports.

Over the protests of U.N. peacekeepers trying to halt the traffic, 140 trucks loaded with about five logs each—some as big around as beach umbrellas passed the mountain checkpoint on Friday and Saturday morning alone, according to the pile of transit documents seen here.

A half dozen more trucks were lined up awaiting paperwork clearance.

"This is illegal logging. It must stop," U.N. military observer Major Paul Wenck of Britain told the Cambodian official from the Phnom Penh government agriculture ministry who was taking log tallies and stamping his approval at a wooden booth.

"We'll stop when all the trucks from here are finished," the official, Suon Sovann, replied.

Up to 5,000 already cut raw logs were stacked up in tree graveyards along a dusty scratch of a road awaiting transport aboard the trucks marked BLP Import-Export Ltd., a Thai logging company with what used to be a legal concession here in northern Preah Vihear Province before the contract expired December 31.

Suon Sovann said he did not know about the ban, and would permit the crossing of logs until told to do otherwise by his bosses.

Ironically, Wenck said, it appeared the massive log trafficking had begun the day the ban went into effect. BLP had been busy carving a suitable logging road into the mountain which was not ready until the end of the year, he said.

The United Nations has no power to enforce the ban, only to advise the Cambodian authorities to do it—a policy diplomats have likened to having the fox guard the henhouse.

Cambodia's Supreme National Council (SNC) voted a ban on raw log exports in September over the objections of the Khmer Rouge, and the U.N. Security Council endorsed it in November as a political measure against the radical faction while at the same time imposing an oil embargo.

The ban covers only raw, uncut logs, and as a result thousands of new sawmills have sprung up all over Cambodia, just slicing crude planks before export, U.N. officials say.

No ceiling on sawn timber has yet been determined.

Thai politicians have proclaimed an official closing of the border, but the Thai military which controls it is thought to have relatively independent control.

With the Thai press trumpeting losses of 100 million dollars for logging companies who were ceasing their activities, Thai Foreign Ministry officials said they would negotiate with the SNC to extend the ban long enough to clear already felled logs from Cambodian soil.

Since the ban was passed, however, loggers have engaged in a frenzy of tree chopping in anticipation of an extension. Tens of thousands of logs are piled at Cambodia's borders awaiting transport.

BLP is one of 27 companies listed by Thai authorities as being affected by the ban. A representative at its office in Ubon Rachatani Province in Thailand could not immediately be reached Sunday.

"This is terribly sad," Wenck said as he looked out at the BLP tree graveyard. "Terribly sad.

Party Paper Denounces Khmer Rouge Genocide

BK0401085993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 3 Jan 93

[Undated PRACHEACHON commentary: "No Morality Can Condone the Khmer Rouge"]

[Text] On 27 December 1992 at 2130, a group of Khmer Rouge soldiers indiscriminately opened fire on people in Kompong Ta Ches village in Ta Ches commune, Kompong Tralach district, Kompong Chhnang Province; 12 people were killed by B-40 and AK rifles fired by the Khmer Rouge troops, including seven women and innocent Cambodian and Vietnamese fishermen.

The Khmer Rouge's barbarous act shows that the Khmer Rouge have never abandoned their cruel and genocidal character adopted when they were in power. During the genocidal regime, as well as during the present time when the Khmer Rouge are indiscriminately killing people, they are not afraid of the so-called human rights, peace, calmness, or security for the people, despite the fact that red carpet has now been spread out for them to walk on the path toward a peaceful Cambodian political solution.

The Khmer Rouge use as the only pretext the Vietnamese issue every time. To kill Cambodians, the Khmer Rouge just say that they are Vietnamese, live in the same village with the Vietnamese, or even accuse them of thinking like the Vietnamese. To refuse to take part in the peace agreement, which they signed in Paris, the Khmer Rouge also raise the Vietnamese issue. To accuse the Phnom Penh Government and the Cambodian People's Party, the Khmer Rouge also raise the Vietnamese issue. Finally, to destroy UNTAC [UN Transitional Authority in Cambodia]—who are the peacekeepers in Cambodia—the Khmer Rouge shout about the Vietnamese, such as saying Yuon-tac [pun meaning "snared by Vietnam"], or saying that UNTAC defends the Vietnamese.

It is about time to deal with the Khmer Rouge. The Khmer Rouge have violated the agreement; attacked and seized areas belonging to the State of Cambodia; and indiscriminately killed the Cambodian people right in their homes and villages. Will the Cambodian people become toys for the Khmer Rouge to play with endlessly? The Khmer Rouge are the only root cause of all problems that have been endlessly created.

The Cambodian people continue to categorically denounce the old and new genocide by the Khmer Rouge who use just one pretext. No morality can condone the Khmer Rouge.

UNTAC Popularity 'Eroded' by Impotence

BK0401064893 Phnom Penh SPK in English 0418 GMT 4 Jan 93

[Text] Phnom Penh SPK January 4—The Khmer Rouge's campaign of intimidation against UN forces seeking to implement Cambodia's peace accord is taking a toll on the peacekeepers' popularity, reports AFP.

"Our only protection is the blue beret that we wear," a French peacekeeper said. But the prestige and credibility of the UN Transitional Authority in Cambodia (UNTAC) has been eroded with the realisation that while UNTAC is here to bring peace it cannot impose it with force, he said.

French Commander Jean-Charles Marie, who arrived in Cambodia on November 12, quickly learned to weigh the risks as the head of a team of three UN observers here in Angkor Chum, a village in a strategic area in the northwest.

"We moved a team into a small village. The first day, mortar shells could be heard a long way off. The second day, the shells came closer. The message was clear: We didn't wait for the third day to leave."

The team had been charged with registering the village population for elections due to be held in May.

Thursday's evacuation from Svay Leu in northwest Cambodia of 45 UN personnel who had come under mortar fire from the Khmer Rouge capped the worst of a string of incidents staged last month by the exteme Marxist faction, aimed at intimidating.

Peacekeepers have been taken hostage and their all-terrain vehicles fired on with mortars and assault rifles, although so far none have been wounded.

In response to such incidents the UN workers have had to use every diplomatic means available to try and give the Cambodian peace plan agreed on in Paris in October 1991 a chance of success.

It took Marie three hours by foot to reach one village cut off from all motor traffic. There he found that its inhabitants knew nothing of the peace agreement, let alone the elections due to be held in May.

He could not return with the election material, however—the area around the village was mined the next day.

Here in Angkor Chum, at a pagoda being used as an electoral office to distribute polling cards, a young man lay in pain under a mosquito net. He had just had his hands shredded by a mine.

Such sights are common. Land mines, which are already responsible for 30,000 amputees in this country of 7.2 million people, also restrict the movements of UN staff.

Statement Criticizes Khmer Rouge Practices

BK0501083393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 5 Jan 93

[Statement issued by the Cambodian Government in Phnom Penh on 5 January—read by announcer]

[Text] Since the signing of the 23 October 1991 Paris agreement and a few months before the elections, which is the backbone of the agreement, the current situation resulting from the Party of Democratic Kampuchea [PDK]/Khmer Rouge's nonimplementation and violation of the accord is the most serious threat to the peace process and the Cambodian people's survival.

While refusing to abide by the agreement they have signed and brazenly violating it daily, as well as carrying out provocative activities, the PDK/Khmer Rouge have greatly benefited militarily and politically. Meanwhile, other parties, particularly the State of Cambodia [SOC], have cooperated with the UN Transitional Authority in Cambodia [UNTAC] and implemented the accord.

The Khmer Rouge, taking advantage of the troop cantonment by SOC and other sides and the demobilization and its preparation according to the agreement, have widened their zones. This has enabled them to expand activities and to infiltrate other areas adjacent to cities and crowded areas. The expansion of Khmer Rouge-controlled zones has put other parties that have implemented the agreement in an even more dangerous position, as far as the defense of the people is concerned.

The UNTAC sphere of operation has become progressively smaller and so has the number of people people taking part in the election. This is because the Khmer Rouge refuses to let UNTAC into their controlled areas. They have also not allowed people to take part in the elections. The prospect of danger has increased, taking into account the fact that they have used the areas they have seized as a stepping stone to launch military offensives and as bases for infiltration to cause destruction and to widen the so-called semiliberated and guerrilla zones. This is done in coordination with the dispatch of Khmer Rouge agents nationwide to create unrest and carry out terrorist activities. This is also used as a basis to control the situation and to serve military activities.

It is necessary to recall that lately the Khmer Rouge have been able to shell cities and crowded areas. They have been able to threaten and expel UNTAC poll registration teams, burn people's poll registration cards, threaten and prevent people from registering and taking part in the elections, massacre civilians, carry out terrorism, attack UNTAC and hold their staff hostage, and so on.

This has seriously threatened the further implementation of the agreement. The SOC concludes that if the situation is allowed to develop the way it has, then the forthcoming elections will face difficulties to the point it cannot even be held. There is no reason the Khmer Rouge would let the elections proceed peacefully. It is also not futile to recall that the PDK/Khmer Rouge have made use of their time as members of the Cambodian Supreme National Council [SNC] and its branches to benefit from and hinder the normal functioning of the peace process of the Paris agreement.

The Khmer Rouge have created obstacles to hinder every meeting, using its role as an SNC member to maintain their legitimacy and to make some gains. Khmer Rouge officials have even used their positions within the Mixed Military Working Group to gather information to serve their military offensives.

Faced with this serious and dangerous situation for Cambodia and the entire Cambodian people, the SOC, a signatory of the Paris agreement, would like to make the following proposals to the cochairmen of the Paris International Conference on Cambodia [PICC] and the UN Security Council [UNSC]:

1. To take measures to stop Khmer Rouge military violations and prevent them from expanding their territory, as this would reduce the election zone and the number of people taking part in the elections. This is also to ensure safety for the ongoing poll registration and the planned elections.

To achieve this, the SOC proposes that UNTAC carry out its mandate given by the Paris agreement and UNSC resolution 792. If this is not possible, the SOC proposes that the UNSC amend the UNTAC mandate in response to the situation created by the PDK/Khmer Rouge.

2. To ensure that the forthcoming elections are held freely, democratically, and fairly, it is imperative to set 31 January 1993 as the deadline, in accordance with the fifth paragraph of UNSC Resolution 792, for the Khmer Rouge to take part in the elections. Otherwise, and if the Khmer Rouge are allowed to take part in the elections at the last minute, the elections would not conform to the spirit and essence of the Paris agreement because various Khmer Rouge areas have never been subject to UNTAC control. Therefore, these areas will not have a neutral political atmosphere. People in the Khmer Rouge-controlled zones would also not have registered for the elections. The elections would not be proper in such a situation. We certainly cannot accept the incorrect implementation of the Paris agreement.

3. If the PDK/Khmer Rouge continue to refuse to implement the Paris agreement and not take part in the elections according to the essence of the agreement after this deadline, the problem that would arise would be this: Why should the Khmer Rouge be allowed to remain in the SNC, as this allows them to take advantage, that is to seize power through every means?

In this case, the SOC holds that the PDK/Khmer Rouge have no right, legally and logically, to remain in the SNC as in practice they have already put themselves outside the peace process. Therefore, the SOC demands and proposes that the Khmer Rouge be expelled from the peace process of the agreement and to let them be illegal bandits worthy of their activities.

The PDK/Khmer Rouge have not only refused to take part in holding Cambodian elections but have violated the agreement. Allowing this party to remain legitimate with its administrative zones, armed forces, and political organizations within the SNC will practically mean the political, psychological, and legal partitioning of Cambodia into two, although this may be only temporary.

4. For further national reconciliation and Cambodia's unity and to ensure political stability before and after the constituent assembly elections, the SOC insists that the presidential election be fixed ahead of the constituent assembly election.

Therefore, on behalf of the SOC, we request their excellencies cochairmen of the PICC and his excellency the UN secretary general to carefully examine this very dangerous situation and take the necessary and appropriate measures before it is too late to save the Cambodian people from the second Khmer Rouge genocide and to save the Paris agreement.

Phnom Penh
5 January 1993

Hun Sen on Excluding KR From Peace Plan

BK0501052193 Hong Kong AFP in English 0511 GMT 5 Jan 93

[Text] Phnom Penh, Jan 5 (AFP)—Phnom Penh Prime Minister Hun Sen said Tuesday that the time had come to kick the radical Khmer Rouge [KR] out of the Cambodian peace plan, declare them "insurgents and outlaws," and fight them with United Nations' help.

"There's no legal and logical point in maintaining the Khmer Rouge in their political legitimacy," the prime minister said at a press conference.

"No one wanted to exclude the Khmer Rouge from the peace process, but it is the Khmer Rouge who excluded themselves from the Paris agreement," he said.

If the Khmer Rouge are allowed to continue unchecked, they will sabotage UN-run elections scheduled before May, Hun Sen warned.

He also said the United Nations must strengthen the mandate of its peacekeeping mission to allow it to forcibly penetrate Khmer Rouge zones and fight the guerrillas if necessary.

The UN Transitional Authority in Cambodia (UNTAC) has withdrawn its peacekeepers from two positions in recent weeks after coming under fire.

"Some people have been joking that UNTAC forces run faster than the Cambodian people themselves because UNTAC has cars and planes to run away," he said. "Therefore we need to rectify UNTAC's mandate in response to the changing situation."

He said he was bringing the request to UN Secretary General Butrus Butrus-Ghali and to the co-chairman of the Paris conference on Cambodia, which ratified the peace agreement ending the war in October 1991.

"We do not want to see UNTAC run away from Khmer Rouge attack because this would be a shame for the United Nations," Hun Sen said.

He also said the Khmer Rouge should have a deadline of January 31—the end of UN voter registration—to begin cooperating or should not be allowed participation after that point.

He implied that the Phnom Penh government would not participate in an election if the Khmer Rouge are allowed to join after that date.

"An election in such a situation is simply not fair. We can never accept a biased implementation of the Paris agreements," he said.

Asked about Monday's statement by Prince Norodom Sihanouk that he would no longer cooperate with UNTAC and the Phnom Penh Government, Hun Sen would only indicate that he believed the prince was not serious.

"My initial comment would be that Prince Sihanouk will not abandon the Paris peace agreement at this stage because the Paris peace agreement is the one to rescue the nation and people of Cambodia," he said. "Therefore he will not give up his cooperation with UNTAC."

Hun Sen also said a clear date must be set for the holding of a presidential election before the UN-run elections scheduled for May.

Prince Sihanouk and the Phnom Penh Government have long advocated the election as a way to have the prince, chairman of the Supreme National Council which groups all four factions, elected head of state.

Such an election is not outlined in the Paris peace accords, which provides for the newly elected constituent assembly to decide how to choose a head of state.

"Maybe it is not legal in the sense that it is not in the Paris agreement ... but if we look into only the legal aspect and ignore the political aspect, the whole process will find some difficulty," Hun Sen said, calling the election "absolutely essential for stability."

The prince said he was withdrawing cooperation with UNTAC and the Hun Sen government in protest at attacks on the pro-Sihanouk FUNCINPEC [United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party in which party workers had been killed.

Heng Samrin Issues New Year Message

BK0101135193 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 1 Jan 93

[New Year greetings message to compatriots by Heng Samrin, honorary chairman of the Cambodian People's Party Central Committee; place and time not given—recorded]

[Text] My respects to all venerable Buddhist monks, princes, excellencies, ladies, gentlemen, and all my beloved compatriots:

Today, together with the peoples in the rest of the world, we Cambodians celebrate the international New Year 1993 with pride, satisfaction, and joy as well as a high sense of national pride at the peace process in Cambodia under the august leadership of His Royal Highness Prince Norodom Sihanouk, head of state of Cambodia and chairman of the Supreme National Council [SNC]. He has been guiding the implementation of the 23 October 1991 Paris peace agreement with the active support of the United Nations and the international community, especially UNTAC [UN Transitional Authority in Cambodia].

The Cambodian party, Government, and people are extremely proud of the immense achievements of the past 14 years, especially in 1992. They testify to the success of the policy of liberalizing to a free-market economy as well as the success of the implementation of the Cambodian People's Party's [CPP] political line. The year 1992 historically recorded the great heroic efforts of the government officials, civil servants, employees, combatants, workers, peasants, intellectuals, organization members, and our citizens throughout the country, who united in the struggle to overcome myriad obstacles in following the trail blazed by our CPP. On this international New Year, on behalf of the party, state, and the Kampuchea United Front for National Construction and Defense [KUFNCD] and in my own name, I thank all of you, government officials, combatants, workers, peasants, intellectuals, venerable monks, and all compatriots throughout the country for making all kinds of sacrifice and spurning personal hardship and physical exhaustion for the cause of the motherland and people. At the same time, I extend greetings and thanks to all gentlemen representing the diplomatic corps and international organizations in Cambodia as well as all UN peacekeeping forces for giving the Cambodian people both moral and material support and assistance. I also greet Cambodian compatriots living abroad who have contributed and are contributing to bringing peace back to the motherland.

Dear compatriots, princes, excellencies, ladies, and gentlemen, the year 1993 will be a most important stage in the implementation of the Paris peace agreement leading to the scheduled general elections. Although the implementation of the peace agreement in 1992 encountered obstacles, the Cambodian people and the international community remain hopeful and confident that peace will prevail soon and that no force will be able to torpedo or block this process. The truth is that the State of Cambodia [SOC] has been most sincere in implementing the peace agreement. Unfortunately, not only do certain parties fail to implement it, they are also trying to create a complex atmosphere by misleading, agitating, and instigating the masses, stirring a sense of ultranationalism, and causing difficulties to the continued implementation of the agreement. The Khmer Rouge are hiding under the label of the agreement. They have not only refused to respect it but have violated it most brutally. At present, they continue their aim of wresting back power through the use of both violence and military force to block the peace plan.

In the current situation, all factions should unanimously abide by the agreement to jointly end the destruction and misery suffered by the people and the country from the chronic war of the past more than two decades. The war has not only destroyed human lives and social property, it has also plunged the nation deep into the unforgettable abyss of genocide. The latest acts of the genocidal group clearly show their design to revive their genocidal regime. Hardly had a number of Cambodians and repatriated refugees achieved stability in their livelihood than the Khmer Rouge attacked, massacred, and split them from their loved ones, once again causing them great misery and hardship.

As always, the SOC faction has the sincerity and goodwill to achieve national reconciliation, end the war, and bring peace to the people. We appeal to all parties to implement the agreement. Whether they have yet to fully implement it or have not begun to, they should rid themselves of all grudges and feelings of vengence for personal or group interests and seriously join the peace process for the superior interests of the motherland and people.

We appeal to the United Nations and the international community to help us stop and prevent all the agreement's violations. In particular, they should take appropriate and specific measures against the Khmer Rouge, who are a group of genocidal criminals and use all means to safeguard the peace plan. They should put an end to the people's sufferings, and remove the obstructions to the peace process. We hold that the fate of the peace process in Cambodia as well as that of millions of Cambodians should not become hostage of the Khmer Rouge.

Dear compatriots, princes, excellencies, ladies, and gentlemen, thanks to the support of the United Nations and the international community, our nation is heading toward a not-too-distant genuine peace. However, the hope of our people and the destiny of our nation are being threatened by the return of the genocidal regime. Therefore, I appeal to all compatriots to unite in a great force and mobilize all potential and capabilities to do everything for the interests of the nation and peace.

It is with a sense of shared responsibility with the CPP and SOC Government in preventing all forms of an attempted return to power by Pol Pot and the danger of genocide against our country and people, that we must preserve social stability, security, and order. This is so that all aspects of the agreement's implementation can be met, the people's interests protected, and the country rehabilitated and developed in future in order to catch up with civilized nations.

It is with the sense of responsibility and firm confidence in the solidarity and unity around the CPP, the SOC Government, and the KUFNCD that we believe will surely overcome all difficulties and prevent forever the attempted return to power by the genocidal regime.

On the international New Year of 1993, the CPP, Cambodians, and all of us, including myself would like to extend best wishes to our august Prince Father, the princess consort, and the entire royal family. May the Prince Father enjoy good health and a long life to remain the strong shield for his children to continue building the motherland along the line of Sangkum Reas Niyum.

I wish all Buddhist monks the best of health as they remain the shade for the Buddhist faithful throughout the country.

My New Year greetings to all excellencies, ladies, and gentlemen from all international organizations and UN missions on their noble international duty in Cambodia. The best of health and success to all of you.

I also extend best wishes to all compatriots throughout the country and blood brothers abroad. My greetings to the families of dead soldiers, the invalids, and those having rendered good services to the nation and to the combatants under medical treatment. I wish all of you good health and success in your existence in an independent, peaceful, free, democratic, neutral, and socially progressive Cambodia.

Chea Sim on Children's Organization Anniversary

BK0101100193 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 1 Jan 93

["Greetings message from His Excellency Chea Sim, chairman of the Cambodian People's Party, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, to the Cambodian people and children on the 13th Founding Anniversary of the Cambodian Children's Organization"—dated 1 January; recorded]

[Text] Dear children, students, and compatriots: 1 January 1993 is the 13th founding anniversary of the Cambodian Children's Organization, a day when mankind's attention should be turned to the health of children, and when international children's day is celebrated. Availing myself of this opportunity, on behalf of the Cambodian People's Party [CPP], the Government of the State of Cambodia [SOC], and the Kampuchean United Front for National Construction and Defense, I convey my thoughtful sentiments and love as well as best wishes to all children. May you enjoy good health and wisdom, and be successesful in your studies for your brilliant future, and fulfill the hopes of your parents and that of our country and nation.

Certainly, the 1 January Cambodian Children's Day is deeply significant to you and the coming generations. Our country has gone through the dreadful dangers of a regime lasting three years, eight months, and 20 days. Then, you were tortured, deprived of food, forced to overwork, barred from going to school, stripped from all kinds of education and care, separated from your parents, and even pitilessly put to death.

Beloved children, only by clearly realizing the complicated situation of the country at present, can we understand the enormous significance of the date 7 January 1979 when the CPP alone led the entire people to rise up and save themselves and the country from genocide. As a matter of fact, under the SOC regime and the CPP leadership for the past 14 years, although faced with numerous difficult and complicated problems, the party and government have constantly promoted your rights and improved your health.

Today, I am deeply moved and wish to sincerely praise all of you for your achievements and efforts in your studies. They have contributed to the defense and rebuilding of our beloved motherland. For your patriotism, many of you have been called good children, students, and friends. I firmly believe you will become praiseworthy citizens and outstanding children of the nation in the future.

Beloved children, as always, the CPP and the SOC Government have done whatever they could to safeguard peace, security, happiness, and the dignity of the people and children. Although some difficult and complicated problems still exist, we are proud of our many achievements. For instance, education has been significantly developed with the setting up of schools of all levels everywhere. This has enabled an increasing number of our people's children to go to school. Moreover, taking into account the interests of the nation and people, our party and government have also put forth a national reunification policy and implemented the Paris peace accord in the most correct and just manner. However, what is regrettable is that one party has so far refused to execute the Paris accord and continued to carry out barbarous acts against the people in a number of areas. Nonetheless, although faced with such a serious situation, the SOC has at all times strived to correctly implement the accord, laws, and regulations adopted by UNTAC [UN Transitional Authority in Cambodia] and the Supreme National Council with a view to holding free and fair elections. This is the ultimate goal of the accord.

Beloved compatriots, taking this golden opportunity, on behalf of the CPP and the SOC Government, I call on CPP cadres and authorities at all levels, various social organizations, and parents or guardians for more all-out physical and moral effort and their use of material resources to create favorable conditions and to provide education and care for children, our successors. Children should be realistically transformed into the motherland's healthy seed, who will bring hope to both the nation and parents.

I appeal to the peace-loving compatriots both inside and outside the country to jointly uphold the great national union forces around the CPP under the clear-sighted leadership of His Royal Highness Prince Norodom Sihanouk. This is for genuine peace and to prevent the return of the past genocidal regime to Cambodia. I call on all political parties to realize what the national interests are and to join in following the accord signed in Paris on 23 October 1991. This is for the cause of correctly implementing the national reunification policy and developing the country.

Beloved children, before concluding this message I urge all of you to study hard and to listen to your teachers so that you will become persons who are fully capable of building your lives and the country. In any case, you should adopt the composed, gentle, and dignified national character, be well-mannered and practice hygiene both at home and in public. Also, you should be grateful and obedient to your parents or guardians who have lovingly brought you up. You should enhance solidarity with your peers and other children in the world so as to jointly build a world that abounds with peace.

Once again, I wish you a peaceful life and every success in your studies.

Hun Sen Chairs Council of Ministers Session

BK0201142293 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 2 Jan 93

[Text] His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party Central Committee and chairman of the Council of Ministers, presided over a plenary session of the Council of Ministers at its office on the morning of 2 January. The meeting evaluated the outcome of various works in 1992 and set targets for implementation in 1993.

Attending the meeting were vice chairmen of the Council of Ministers, ministers, deputy ministers, general directors from various institutions and services, and chairmen and vice chairmen of provincial and municipal party committees across the country.

The agenda of the meeting included a report on the 1992 socioeconomic situation and the 1993 plan; a report on the implementation of the 1992 state budget and the draft of the 1993 state budget; and a report on the 1991 state budget.

Chea Sim Meets With Culture Ministry Staff

BK0301063893 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 3 Jan 93

[Text] On the morning of 2 January at the Basak festival hall, His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party and chairman of both the National Assembly and the Kampuchean United Front for National Construction and Defense, took part in a get-together and cordially chatted to the staff of the Culture Ministry.

On this occasion, Deputy Culture Minister Him Chhem stressed the development of national culture over the past 14 years. The Culture Ministry currently has 20 departments; five of these departments are becoming economically self-administered units and the 15 others are (?causal) ones. Furthermore, around 2,000 personnel are working in various spheres of the cultural sector.

Speaking to the personnel, H.E. Chea Sim expressed profound admiration for the great achievements the Culture Ministry staff have made and their efforts to score to develop national culture in order to correspond to the evolution of society and the nation. He also pointed out the latest developments following the Paris agreement. Our State of Cambodia [SOC] has actively cooperated with UNTAC [UN Transitional Authority in Cambodia] and implemented every step of the Paris agreement. At present, the registration of our people for the election is being conducted.

He stressed that despite our efforts, the other side still has maneuvers to topple the SOC. The Khmer Rouge side not only has refused to implement the agreement, but has also violated it. Recently, the Khmer Rouge arrested UNTAC personnel and confiscated poll registration cards from our people in a number of areas. He called on cadres and personnel of the Culture Ministry to expand and consolidate what we have achieved and strive to score new achievements beneficial to the defense, construction, and development of society and the nation.

Leaders Congratulate Cuban Counterparts

BK0401045693 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 3 Jan 93

[Text] On the 34th anniversary of the Cuban victory day, His Excellency [H.E.] Heng Samrin, chairman of the State of Cambodia [SOC] Council of State, and H.E. Hun Sen, chairman of the SOC Council of Ministers, addressed a greetings message to H.E. Fidel Castro, chairman of the Council of State and the Council of Ministers of the Republic of Cuba. The message says in essence:

On behalf of the Cambodian people and the SOC Government, we would like to express to you warmest fraternal congratulations. We highly value the efforts over the past 34 years of the Cuban people, under your leadership, to defend revolutionary gains, sovereignty, and national independence.

We firmly believe that despite outside obstacles, the people and Your Excellency will score new victories to achieve the goals set forth by the Cuban party's (?fourth) congress. We would like to take this opportunity to express thanks for the unswerving assistance and support provided by the Cuban Government and people to the just cause of the Cambodian people to end the war and achieve national reconciliation.

On this occasion, H.E. Hor Namhong, SOC foreign minister, also addressed a congratulatory message to his counterpart.

Indonesia

Alatas Rejects Referendum on East Timor

BK0401134593 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 4 Jan 93

[Text] The international economic and political situation during 1993 would continue to experience a transitional process filled with problems. During such a process, the interest would be directed toward integration of several nations while disintegration could possibly occur, particularly in East Europe and in the African continent. This was stated by Foreign Minister Ali Alatas in a New Year press statement during a gathering of local and foreign mass media editors in Jakarta this morning.

He said the environment, human rights, and refugee problems as well as terrorism would dominate the international discussions which could influence the relations between countries.

On the prospects of the new world order, Ali Alatas said up till now the nonaligned countries, including Indonesia, have yet to witness the restructuring process.

According to Ali Alatas, the development which has been of increasing concern was the upswing in ethnic and religious clashes in several countries. Besides this, unrest, instability and injustice and the North-South relations all form the potential sources of international tension which could come to a head by the end of the 20th century.

[Hong Kong AFP in English at 1100 GMT on 4 January carries a Jakarta-datelined item which adds the following: "Indonesian Foreign Minister Ali Alatas on Monday strongly ruled out any referendum for the people of the former Portuguese colony of East Timor, which Jakarta annexed in 1976.

["'It is not that we are afraid, or it is not because we are uncertain of what the results will be, but it is simply a matter of principle,' Alatas told a press conference here.

["He said that Portugal and Fretilin, East Timor's pro-independence movement, had again pressed Indonesia to hold a referendum in East Timor, 'something that they have tried to prevent 17 years ago,' Alatas said.

["'We gave you (Portugal and the Fretilin) that opportunity 17 years ago. Now too much blood has been sacrificed, too much water has gone under the bridge, too much indignities have been suffered by Indonesia for the past 17 years. Now, you go fish, if you want to ask that,' Alatas said.

["Alatas made the statement, the strongest so far according to many observers here, barely two weeks after he and his Portuguese counterpart Jose Durao Barroso met in New York under the auspices of U.N. Secretary General Butrus Butrus-Ghali to seek ways to revive talks on East Timor.

["The United Nations and Portugal do not recognize Jakarta's sovereignty over East Timor. Alatas and Barroso are to meet again in April.

["Alatas said Indonesia had been hurt by Portugal's repeated rejections of several past Indonesian invitations and initatives over East Timor.

["He recalled that Jakarta had called on Lisbon to return to East Timor in November 1975, a few months after its colonial administration there had left in the midst of the revolution in Portugal.

["Alatas also recalled that shortly afterward Jakarta had agreed to a visit to East Timor by an envoy of the U.N. secretary-general that did not materialize after the Fretilin refused to cooperate.

["In 1987, during general elections here, a plan by the U.N. secretary-general to send a multi-national mission to visit East Timor and Indonesia had also encountered Portugal's opposition, he added.

["Alatas said the 1987 plan, under which delegates would have stayed three weeks and been free to speak to anyone they wished, was already a form of 'assessment but short of a referendum' to gauge the wish of the East Timorese people.

["He said Jakarta would continue the dialogue with Portugal, 'but it cannot be unlimited, we must find a solution.'

["The U.N.-sponsored dialogue, begun in 1982, has been disrupted several times, the last time in 1991 shortly after Lisbon cancelled a visit by Portuguese MPs after Jakarta refused to allow in an accompanying journalist."]

Paper Views Candidacy of Sukarno's Son

BK0501094593 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 5 Jan 93

[From the press review]

[Text] SURYA daily says the nomination of Guruh Sukarnoputra [son of the late President Sukarno] as a presidential candidate for the 1993-98 term is an interesting phenomenon in Indonesian politics because nearly everyone now believes that there would not be any more candidates. The right to nominate oneself and to assume the presidency belongs to all Indonesians as enshrined in the country's constitution. However, it must be remembered that there are certain requirements for this post, namely, the president must be an indigenous person as well as satisfying other existing requirements.

Editorial Views Benefits of AFTA

BK0301133693 Jakarta KOMPAS in Indonesian 15 Dec 92 p 4

[Editorial: "The ASEAN Free Trade Area will be operational effective 1 January"]

[Text] It was disclosed at the third meeting of the AFTA [ASEAN Free Trade Area] council in Jakarta last week that this region's free trade accord will gradually be operational effective 1 January 1993. As such, doubts on the establishment of an ASEAN free trade area initiated and agreed by ASEAN heads of state in their meeting last January have indeed disappeared. AFTA will certainly be established in a gradual way from the beginning of 1993.

The import duties on 38,308 ASEAN products, classified into 15 products groups, will be reduced based on the Common Effective Preferential Tariff or CEPT scheme. These products constitute 87 percent of all ASEAN products. For each ASEAN country, this constitutes between 74 and 98 percent of its own total products.

What does this mean? The application of CEPT effective 1 January 1993, or two weeks from now, is a preliminary step toward an ASEAN free trade area. One day, maybe in the year 2008, the import duty for goods entering one ASEAN country from another will probably stand at between 0 and 5 percent only. If possible, no import duty will be imposed on all goods entering ASEAN countries.

It is true that on 1 January 1993, only a small portion of the 38,308 ASEAN products will get the import duty reduction. It is possible that several ASEAN countries, including Indonesia, will still include many of their products in the exclusion list [preceding two words in English]. We also believe that commodities like rice, palm oil, rubber, tapioca, electronic goods, and motorized vehicles will still be included in the exclusion list. However, it must be remembered that this is just a preliminary step. The ASEAN countries have all agreed that products specified in the exclusion list will someday find their way on to the CEPT scheme's inclusion list [two preceding words in English]. In short, the ceiling tariff for all ASEAN goods will be five percent in the year 2008.

With the launching of AFTA, it it hoped that not only intra-ASEAN trade, but also intra-ASEAN investment, will be intensified. There is even speculation that intra-ASEAN investment will experience a drastic increase, but not intra-ASEAN trade volume and value.

But what does all this mean in practical terms? We have just talked about the bright prospects for the estabishment of AFTA, but it will take time to realize its full benefits. The ASEAN countries agree that a period of 15 years is needed.

We also believe that the CEPT scheme is a sort of economic deregulation policy jointly adopted by the six ASEAN countries in the form of reducing or removing import duties. However, Singapore is an exception because that country stopped imposing import duties on various kinds of goods a long time ago.

The end result of AFTA will be the removal of import duties on all ASEAN products as well as the removal of obstacles to free trade.

As such, ASEAN country are more or less encouraged or even forced to compete with fellow ASEAN countries to manufacture similar products. In other words, the business sector of each ASEAN country is forced to increase its efficiency and competitiveness because consumers can now choose to buy any product (raw materials, basic commodities, components, or capital goods) from their own country or buy it from another ASEAN country.

Viewed from the positive angle, establishing AFTA will make each ASEAN country more competitive and enable it to compete in non-ASEAN markets. As for ASEAN products currently capable of competing on world markets, AFTA will make them even more competitive.

Viewed from the negative angle, the AFTA process will lead to the collapse of inefficient business ventures. However, the 15-year period is quite a long time and several Indonesian economists even pointed out that such a period of time is too long for economic deregulation policies in Indonesia itself. Besides, such a period of time is more than enough for Indonesia to scrap its policies of monopoly and monopsony as well as other things that obstruct free trade.

We believe that the establishment of AFTA is a correct policy and move that will benefit each ASEAN country and that it is also in line with the current trend in global trade and economy.

Muslim Intellectuals Begin Daily Paper

BK0401053993 Hong Kong AFP in English 0334 GMT 4 Jan 93

[Text] Jakarta, Jan 4 (AFP)—The Indonesian Moslem Intellectual Association (ICMI) launched Monday the first edition of REPUBLIKA, a daily newspaper its editors claim reflects Islam but will remain business-oriented.

A total of 100,000 copies of the 12-page newspaper were distributed in Jakarta and west Java, REPUBLIKA officials said.

Chief editor Parni Hadi, former senior editor with the ANTARA News Agency and former secretary general of the agency ASIA PACIFIC ORGANIZATION OF NEWS (OANA), said on the weekend that REPUBLIKA would "channel the aspirations of Moslems."

Indonesia is the world's largest Moslem-populated nation. More than 80 percent of its some 184 million people profess the faith.

REPUBLIKA's first edition, with the signing of the START-II agreement on the front page, carried an editorial which said the daily would "see every problem from a viewpoint based on the interests of the whole of the Indonesian nation."

The editorial, interspersed with quotes from futurist Alvin Toffler and the late British prime minister Winston Churchill, also said REPUBLIKA was determined to reflect the aspirations of those "who because of conditions cannot yet play a role in the national discourse."

It said it would try to bring their hopes, dreams, ideas and concerns to decision makers.

The first edition carried a substantial amount of advertising, including a full-page congratulatory message in colour from Humpuss Group Indonesia, a business group owned by President Suharto's youngest son, Hutama Mandala Putra Suharto.

Prospects for Indonesia-Saudi Trade Viewed

BK0301083193 Jakarta THE INDONESIA TIMES in English 22 Dec 92 p 2

[Editorial: "Good Prospects For Indonesia-Saudi Trade"]

[Text] The Indonesia Solo Exhibitions consisting of a floating fair and participated by 10 companies of strategic significance were held in five different countries in the Middle East. Organized by the Agency for Strategic Industries of Indonesia (BPIS) and the Indonesian Export Promotion Council, the exhibitions appeared in Jeddah, Saudi Arabia on October 10-15, in Alexandria on Oct. 27-Nov. 1, in Abu Dhabi on Nov. 27-30, in Dubai on Nov. 28-30 and in Qatar on Dec. 10-12, 1992.

As far as we know, this is the first time that such an ambitious undertaking has been made, and received a good response from local officials and the public. Indonesian-made planes, ships, and armaments were also demonstrated in the fair. To give more weight to the subject, a delegation of Indonesia's Joint Marketing Board of Industry visited Jeddah on November 28 - 30, 1992. The mission was led by Hashim S. Jojonadikusumo and had constructive talks with Saudi officials and Chamber of Industry, including with seniors of the Islamic Development Bank. The Joint Marketing Board of Industry of Indonesia established on November 21, 1991, is a Business Council comprising 30 Indonesian state and private companies as well as cooperatives.

In the same month of November, a delegation from the Industry Ministry under Bahrum Harahap, Chairman of the Research and Development Section of the Ministry of Industry, also visited Saudi Arabia, and some neighbouring countries. This was confirmed by Indonesian Consul-General in Jeddah Lillahi Gerhana Sidharta, and RI's [Republic of Indonesia] Ambassador in Kuwait and Qatar, Hidayat Kusumaneaara. Saudi counterparts have also visited Jakarta recently.

We agree with the idea for the subsequent establishment of an Indonesia-Saudi Trade/Commercial Centre In Jeddah. It will house in a single edifice complete aspects and services that could be offered by Indonesia for trade and economic cooperation with Saudi Arabia. This is logical if we see the rising trade figures between the two countries. In 1991, bilateral trade amounted to US$1,295.3 billlon. Of this, Indonesia's exports were worth US$458 [million] and imports US$837.3 million. In 1990, the figure was US$687.3 mlllion, exports amounted to US$322.8 mlllion and imports US$364.5 million.

Our preposition for further serious attention is augmented by the fact that the period between 1987 to 1991 shows Indonesia's trends of trade expanded to the Middle East by 44.5 per cent. To Saudi Arabia, the trend grew by 46.8 per cent, according to official figures of the Bureau of Statistics. Whereas to Japan, it grew by 11.2 per cent, ASEAN 15.6 per cent, European Community 23.6 per cent, and to the United States by 1.9 per cent.

Saudi Arabia has been making concerted and gigantic efforts in its development programmes for the welfare of the country and its 15 million people. The Indonesia Times Managing Editor M. Yusuf had made observations about this in his visit to the country in the first week of this month. We see great prospect for the expansion of cooperation, not only in trade but also joint ventures due to the conducive and favourable laws and regulations therein, also in manpower opportunities in the medical, aviation and related fields.

Another factor is, we have excellent ties with our Saudi brethren since times immemorial. The bonds of religion make the ties sancrosanct. But, when it comes to trade, our reminder to Indonesian businessmen, is, that, they should never forget to always consider the high traits and norms of quality. And, if the commodities are good and the prices satisfactory, there is no reason that the Saudis or the Moslem brethren in Kuwait, UAE or Qatar will not buy Indonesian-made items.

Fishermen Repatriated From Australia

BK0301085993 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 3 Jan 93

[Text] The Australian Government has repatriated another 40 Indonesian fishermen from Tanjung Balai Karimun, Riau following the the first batch of seven last Friday. The fishermen were accused of illegally entering Australian waters.

The fishermen were met by an East Nusatenggara Social Affairs department official at the international (Airtari) airport, Kupang, after having been detained by Australian authorities since 23 November last year.

Speaking in Kupang, Ruslan, one of the fishermen, said he and his colleagues were in eight boats and were still within the limits of the Australia-Indonesia maritime boundary. But, an Australian patrol ship towed their boats about 15 miles from the demarcated boundary into Australian waters.

There were about 58 fishermen in eight boats. Eleven of their colleagues are still being detained by the local immigration authorities and are waiting to be released.

Workers' Rights Cause of Increase in Strikes

BK0201140493 Jakarta THE JAKARTA POST in English 19 Dec 92 p 1

[Text] Jakarta (JP)—The failure to fulfill workers' rights is the cause of the sharp increase in the number of labor strikes here this year, a condition which has been aggravated by the authorities' repressive handling of the strikes, activists say.

Members of the Forum of Solidarity for Workers (Forsol) discussed yesterday the labor situation during the past year and came up with a number of suggestions. These included the disbanding of the All-Indonesia Labour Union (SPSI), the only labor union recognized by the authorities. Forsol claims the union has failed to represent and defend the workers' aspirations .

According to the non-governmental organization [NGO], 193 labor strikes, involving 142,565 workers, have occurred in Jakarta, Bogor and other industrial centers such as Tangerang and Bekasi since last January. Forsol said 98 percent of the strikes were triggered by the companies' failure to comply with the minimum wage regulation.

According to Minister of Manpower Cosmas Batubara, 130 labor strikes occurred last year and only 61 in 1990. Most of the strikes were illegal and violated regulations, Cosmas said last month.

In 1991, the government lifted a 27-year ban on strikes.

The current, government set minimum wage is [rupiah] Rp 2,600 (US$ 1.26) daily. The sum is considered insufficient because it covers only 51 percent of a worker's minimum daily basic needs.

Forsol member Johnson Pandjaitan said the tense situation created by the low wages was exacerbated because when disputes occurred, workers had to deal not only with their employers but also the SPSI labor union the manpower authorities, the Indonesian Employers Association (APINDO) and the military.

The results of such encounters, Pandjaitan said, were usually negligible improvements of conditions, agreements which are often inapplicable, the suspension of workers, or even dismissals.

"Instead of resolving the disputes by negotiating only with their employers, workers have to deal with other institutions, including military officials," Pandjaitan said when presenting Forsol's position paper.

He pointed out that the situation was especially difficult because the interference of the other institutions was justified by a number of laws and regulations, such as 1986 and 1992 ministerial decrees.

Policies which put workers at a disadvantage are "byproducts of the government's systematic efforts to control workers in order to stabilize industrial development," Pandjaitan said.

He pointed out that there were legal inconsistencies because government policies deem certain strikes, usually violent ones, as crimes, while violations of workers' rights by employers were left unchecked.

The organization called on the government to review this year's ministerial decree which regulates the workers' right to form labor unions. Pandjaitan said the right to form organizations was already covered adequately in the 1945 Constitution.

A participant in the discussion, Titis, of the Institute of Economic and Social Education Research and Information, urged workers to replace the SPSI with a new union which would be able to fully accommodate their aspirations and represent them in disputes.

Sunyoto, of the Association for Workers' Vocational Education, said that disputes could be handled by establishing a common criterion for evaluating the demands and stances of both sides in a given disagreement.

Titis, however, said such an approach would be futile because workers are at a political and social disadvantage due to the stipulations in the Labor Law.

Mokhtar Pakpahan, leader of a recently-banned union said the government recocognition of only one labor union was a form of monopoly and nothing good can he expected to come of it. "This means an authoritarian labor management," he said.

Forsol was established last year by nine NGOs in Jakarta, including the Indonesian Legal Aid Foundation.

Laos

President Greets Burmese on Independence Day

BK0401093793 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 4 Jan 93

["Text" of greetings message from Nouhak Phoumsavan, president of the Lao People's Democratic Republic, to General Than Shwe, chairman of the State Law and Order Restoration Council and prime minister of the Union of Burma—dated 3 January]

[Text] On the occasion of the celebration of the 45th anniversary of Independence Day of the Union of Myanmar [Burma], I have the honor of conveying to your excellency, and through your excellency to the Government and people of Myanmar, warm greetings and best wishes of happiness and prosperity. I am convinced that the good-neighbor relations of traditional friendship and cooperation between our two countries and two peoples will be increasingly maintained and improved for the benefit of the peoples of our two countries—Laos and Myanmar—and in the interest of peace and cooperation in the region and the world.

On the same occasion, His Excellency Phoun Sipaseut, deputy prime minister and minister of foreign affairs of the Lao People's Democratic Republic, also sent a greetings message to His Excellency U Ohn Gyaw, minister of foreign affairs of the Union of Myanmar.

Leaders Attend Burma Independence Day Reception

BK0501101693 Vientiane KPL in English 0858 GMT 5 Jan 93

[Text] Vientiane, January 5 (KPL)—The ambassador of the Union of Myanmar [Burma], H.E. Maung Maung Lay, yesterday evening hosted at his residence here a reception to mark the 45th anniversary of the proclamation of the independence of his country.

Present at the reception, among high ranking Lao officials were Mr. Phoun Sipaseut, deputy prime minister and foreign minister, Mr. Oudom Khatthi-gna, mayor of Vientiane.

Also attending the function which proceeded in an atmosphere of friendship, were memebers of the diplomatic corps and representatives of international organisations.

Chinese Youth Delegation Departs

BK0201084193 Vientiane Vitthayou Hengsat Radio Network in Lao 1400 GMT 31 Dec 92

[Text] On the afternoon of 30 December 1992, Maichantan Sengmani, Political Bureau member of the

Lao People's Revolutionary Party [LPRP] Central Committee, and head of the party and state Control Commission; and personnel in charge of mass organization work of the party Central Committee received in Vientiane a courtesy call from a visiting high-level delegation of the Chinese Communist Youth League Central Committee led by Song Defu, member of the CPC Central Committee and first secretary of the Chinese Communist Youth League Central Committee. On this occasion, Maichantan Sengmani welcomed the visit to Laos by the Chinese youth delegation. He said the visit has brought about further enhancement of solidarity between the two youth organizations. He also expressed hope that the Chinese youth delegation will continue to bring and to exchange with Lao youths lessons and experiences in many fields to contribute to defending and building the two countries.

The Chinese Communist Youth League delegation began the visit on 26 December. During the stay in Laos, it held talks with a delegation of the Lao People's Revolutionary Youth Union [LPRYU]. In the talks, the Chinese side was led by Song Defu, member of the CPC Central Committee and first secretary of the Chinese Communist Youth League Central Committee; while the Lao side was led by Mrs. Thongvin Phomvihan, member of the Supreme People's Assembly [SPA] and first secretary of the LPRYU Central Committee. The Chinese youth delegation also visited the Dongdok Teachers' Training School, the Lao-Soviet Friendship Printing House, the brewery factory, the national museum, and several places of historic significance in Vientiane Municipality.

In addition, the Chinese youth delegation visited the two southern provinces of Saravane and Champassak. In each province, it was warmly welcomed by the provincial party committee and youth union.

The Chinese youth delegation left Vientiane for home at noon on 31 December. It was seen off at Wattai Airport by Khamman Sounvileut, member of the party Central Committee and second secretary of the LPRYU Central Committee; cadres at the (?department-level) of the LPRYU Central Committee; members of the youth union committees from various ministries; and a number of youths from various services. Huang Guocai, ambassador extraordinary and plenipotentiary of the PRC to the Lao People's Democratic Republic, was also on hand to see the Chinese youth delegation off.

Refugees Repatriated From Thailand, China

BK0101091493 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 29 Dec 92

[Text] This year, some 463 Lao refugees of 119 families, whose native villages are in Champassak Province, have returned to their homeland. These refugees were repatriated from Thailand and China, 266 families [as heard] of which were repatriated from China. At present, these refugees have now been provided with good care by the local administrations. Of these returnees, 41 are native people of Pakse District, 115 of Phonthong Distrct, 59 of Sanasomboun District, 98 of Champassak District, 15 of Soukouma District, 100 of Mounlapamok District, 15 of Pathoumphon District, 14 of Khong District, and six others of Paksong District. They intend to rebuild their new life in their native villages to contribute to developing the local economy.

Philippines

Official Reportedly Received Information on Iraqi Threat

HK0501060193 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Jan 93

[Text] Rafael Alunan III, Department of Interior and Local Government secretary, received information on the Iraqis' plan to launch terrorism in the country. Alunan has admitted that he received the information from a former U.S. serviceman who was accused of spying last week. Alunan said Joseph Garfield Brown told him that Iraqi terrorists will come to Manila to sow terror and chaos against foreigners whose countries participated in the U.S.-led coalition that fought in the 1991 Gulf war. Alunan clarified that Brown did not give him any document, adding that he spoke to Brown when he was still the tourism secretary. Brown was arrested by authorities at Dulles Airport [near Washington, D.C.] upon his arrival from Japan. He was accused of providing secret information to Philippine Government officials, such as the use by Iraqi terrorists of briefcase bombs in sowing terror.

Editorial Praises 'Gift' of START II

HK0501064493 Quezon City MALAYA in English 5 Jan 93 p 5

[Editorial: "No Better Gift"]

[Text] The signing Sunday of the historic Strategic Arms Reduction Talks [START] reminds one of the story about a Moscow drunkard who roared in laughter when militiamen ordered him to stop railing against the shortage of vodka and potatoes in state shops.

As the story goes, the militiamen reminded the sot that in the glorious days of his beloved Stalin, his anti-people activity would have resulted in his being shot outright.

The drunkard turned to the crowd which had gathered and proclaimed, "See comrades, under perestroika, they've even run out of bullets."

The Soviet Union is no more. The Russian economy is in a shambles and the newly established structures of democracy are threatened by the tug-of-war between the presidency held by the reformist Boris Yeltsin and the powerful Congress of People's Deputies controlled by ex-communists. The 14 other republics that used to make up the union are worse off than Russia. But to the drunk's belief to the contrary, at least 25,000 (30,000 by some estimates) nuclear warheads remain in inventory, enough to fry the whole world many times over.

About 11,000 are strategic weapons; the rest are low-yield battlefield tactical weapons.

Under START-2, by 2003, or 10 years from now, the US and the Russians will have reduced their strategic warheads to 3,000 to 3,500 each. A total of 15,000 warheads, described as some of the most fearsome engines of destruction, will have been eliminated by then.

US President George Bush described the agreement as "the most significant arms reduction treaty ever."

"There is a good tradition to give Christmas and New Year's Eve presents," Yeltsin told Bush after the signing ceremonies at the Kremlin. "I am convinced that nothing better can ensure a happier and more peaceful future for our people. Mr President, allow me to consider START-2 as our joint gift to the people of the Earth."

For humanity, which has been held hostage by the threat of nuclear annihilation by the two superpowers, no greater gift could have come this new year. In return, we can only offer prayers to Mr Yeltsin that he will succeed in the post-Cold War reconstruction of the Russian economy and the building of a truly democratic and pluralistic society.

A stable Russia is the key to the preservation of peace. It remains in control of the buttons that would send the intercontinental ballistic missiles sited in Russia, Belarus, Kazakhstan and Ukraine flying.

A return to Stalinism is impossible after the breakup of the Soviet Union and the liquidation of the Communist Party of the Soviet Union. But the march to democracy is not irreversible. The despair over the shortage of food, the uncertainties of jobs and dimunition of income cuts across a broad segment of Russian society. If we add to the hankering for a full stomach and social order the resurgence of Russian chauvinism, we have a recipe for Mussolini's old-fashioned facism, this time clutching not a bunch of reeds but a still fearsome battery of nuclear-tipped missiles.

But these are dark thoughts that should not dampen the rejoicing over START-2. Thank you, Mr Yeltsin. And thank you, too, Mr Bush, for this parting gift in your last days in office.

Ramos Discusses Foreign Trade, Peace Process

HK0501014093 Quezon City Radyo ng Bayan in Tagalog 0605 GMT 4 Jan 93

[News conference by President Fidel Ramos at Malacanang Palace in Manila, moderated by Press Secretary Rodolfo Reyes, with unidentified foreign and domestic reporters—live, in English; passages within slantlines in Tagalog]

[Excerpts] [passage omitted] [reporter] Good afternoon, Mr. President.

[Ramos] Good afternoon.

[Reporter] Happy New Year. Admittedly, one of the biggest economic events that took place in Europe this year was the formation of the single market, wherein the 12-nation European Economic Community has put up a single currency, abolished trade barriers, and adopted common trade and economic policies. On the other hand, we have the North American Free Trade Area, which is led by the United States and Canada, who have also banded together in a common accord, and, I think, in the end they will also abolish trade barriers. Of course, we have the ASEAN Free Trade Area, which will be in full operation 15 years from now. Mr. President, what are the (?tactics) for our products, our principal products, to enter these exclusive economic E.C. countries and the North American Free Trade Areas?

[Ramos] First of all, our products must be truly competitive. But I have every reason to believe that Philippine export products will continue to be very desirable on the part of the European Community, as well as the North American markets. I think we should also consider as a very positive factor the fact that this is a Christian Democratic government in the Philippines. And I said this during the campaigns: We do have advantages over other parties in the Philippines because of the European Community connection, where the Christian Democratic, as well as the Christian Social Parties, are either the majority parties in the ruling governments or they are the majority parties in the ruling coalitions of various European governments. So this is an advantage that we can try to exploit and enhance even more.

Second, the choice of our Secretary of Foreign Affairs, who used to be our ambassador to the European Community based in Brussels, is a forward-looking choice, I might say, which gives us some working advantages. But, first of all, our products must be competitive.

[Reporter] A follow-up question, Mr. President. Have our Department of Foreign Affairs and the Department of Trade and Industry undertaken measures to prepare the country for these developments?

[Ramos] Yes, this has been going on for the last six months in so far as the Ramos government is concerned. For instance, we have entered into a training program for middle-level executives in the two departments who are based abroad. Secondly, we have—as you already know—changed the thrust, we have changed the direction of our foreign affairs, of our foreign relations towards economic diplomacy, which means that the political aspect is made secondary at this stage, in as much as the political issues concerning the Philippines in the various parts of the globe are now less important than the economic issues. And everyone now is organized according to the country-team concept under the ambassador in all of our foreign establishments abroad.

I have since early July spelled out the details of that country-team concept in that everybody must report to the ambassador and take orders from the ambassador, while of course they can continue reporting vertically to their respective department heads, they must be governed by the policy that comes from the integrated team concept, which is what I have been saying all along—unity, solidarity, team work.

[Reyes] Thank you, Manny. Yes, Jerry.

[Reporter] Happy New Year, Mr. President.

[Ramos] Same to you.

[Reporter] Mr. President, yesterday Senator Ople said that events have obviously overtaken your amnesty proclamation, and he also stressed there was a need to issue a new one. Sir, can you comment on that?

[Ramos] Well, that is his opinion, of course. But if you study proclamation 10 and 10-A very carefully, they must validate and confirm the amnesty proclamations and issuances put out by the previous administration, covering some 4,500 that came out in the cold to profess their wanting to become law-abiding citizens of the Republic once more. We can not leave those people hanging. That is what is covered by Proclamation 88 of President Aquino and then, later on, Excecutive Order 350. We must validate those, but it is only Congress that can do this. Now, I have the feeling that that is a minority opinion in the Senate, and, as far as looking at new initiatives in the peace process, well, we are precisely giving a chance to the citizenry through the NUC [National Unification Commission], and the leaders of the two chambers of congress—or really just one chamber of congress, because the House has already ratified proclamations 10 and 10-A—to come out also with their proposals. Now, I think that, at this stage, we have put out the major components of the policy. /We are discussing policies here./ The details, the procedures, the mechanics will be left to the NUC at this stage. I do not see how much more we can be generous or compassionate without risking the safety of the majority of the law-abiding members of our population.

[Reporter] Sir, follow up. The NDF [National Democratic Front] has assailed your administration for alleged favoritism, saying the government has released almost all the rightist rebels, while many leftists remain in jail.

[Ramos] [laughs] Well, that is their, again, hardline Jaconistic [word as heard] position, if there is such a word, because we keep hearing this. The fact is they have also been longer in the armed struggle against the government, and have in terms of the overall history of the Communist Party of the Philippines [CPP] been the ones most engaged over time and geographical space in violence and armed struggle against our citizenry. So, I don't think we should wonder why we are a little more careful. But, again, as I said, in relation to your previous question, we must not also, in the end, risk the safety and the security of the country and our people. But we have gone, really, quite way beyond what my predecessors have gone through in the past.

[Reyes] Thank you, Jerry. [passage omitted]

[Reporter] Happy New Year, Mr. President. Sir, this January 11, in a preliminary agreement with Honasan's group, the government is supposed to compose its own panel to meet with Honasan's group. The NUC has already recommended to you who will compose the government panel. May we know who will compose the government panel with Gringo's group and will there be a separate panel for the other group, Zumel's group [another rightist group]? Will there be two different panels?

[Ramos] I have not received the recommendation of the NUC on this matter.

[Reporter] Do you intend to use the NUC itself to talk with the Gringo's group, sir?

[Ramos] They have been doing that already. But the NUC is authorized to create sub-committees. They already have a council of advisers. They can also avail of a technical panel, as well as other groups. They are in fact using the governors and the mayors, or the chairman of the Peace and Order Councils in their respective communities to help.

[Reporter] Sir, aside from amnesty, what other things are the government prepared to give or to offer to military rebels?

[Ramos] Well, we will have to give them livelihood assistance, but, at the same time, we must be prepared to do this to the soldiers and the policemen that fought these rebels. This is something that we committed a long, long time ago. Maybe because it is new year that you are asking this question again. So, it is there. It is part of the policy.

[Reporter] Just a point of clarification, sir. You have said that government stands to indemnify the victims of the coup. How do you intend to reconcile this sir, with the fact that some of those victims may not take it against the government saying that why should the government pay for us, when the military rebels caused the damage.

[Ramos] What we have asked the NUC to do is to gather the facts and figures about the extent of this from both the side of the victims, as well as the side of the people that are to be benefited by the amnesty, meaning the leftists, rightists, and the secessionists, because there have been some requests for assistance of a certain nature. Now, this is, at this stage, purely exploratory, that is why we have to know the extent of the problem. What are the numbers, what are the geographic areas where these are happening? In the end, the bottom line is what will it cost. But we are going into those exercises now, because we really don't know. Nobody has compiled these figures yet.

[Reporter] Last question, sir. What exactly do you mean by peace with justice? Is this the same as the reconciliation based on justice by the previous administration?

[Ramos] No. It should be peace that is not merely the absence of violence by the agreement of the two contending parties, and it must also be a peace that will ensure the enduring stability of the Republic of the Philippines. Otherwise, why should we go into this exercise if next week, next month, the security and stability of the country will be endangered. It is justice to the majority of the people who are law-abiding; also justice to those that have been victimized by the violence from both sides. [passage omitted]

[Reporter] Mr. President, the question would center on the economy. We are due to negotiate a new program with the IMF. What is the rational for your economic managers to suggest that we should do away with the stabilization program and instead go for a growth-oriented program?

[Ramos] No, the sequence is like this: economic recovery, economic growth, and sustained development. Before that it was stabilization. So really there are four steps. Now, the Cory [Aquino] government started the economic stabilization program and we are into the last few steps of that already. And the recovery was instituted by me, and it overlapped the stabilization program because that is the way it is. You see, when you can already start recovery measures, put it in. Such is our legislative agenda. The opening up of foreign exchange transactions was also part of the recovery program. /That was no longer part of the stabilization program./ This is already taking a step forward. And then the growth aspect is something that we've also started, although that is really still the third step. Then eventually sustained development, sustained socioeconomic, political development; but initially economic because you have already more or less attained the political. Socio not yet; poverty is still there, inequity in the distribution of wealth is still there. But this comes out of economic development which will result in more resources to be received by those who do not have it. So it's like that. It is not one versus the other. It is really continuous spectrum of actions and directions [word indistinct] that is staking place.

[Reporter] Sir, just looking at your program this year, how important would investments and even exports play in you program of a growth oriented economy for 1993?

[Ramos] How will the...?

[Reporter, interrupting] How would exports and investments play...?

[Ramos, interrupting] Well, definitely what we are trying to attain is an export-led recovery in the economic sector , which must be assisted by the maximization of invesments and tourism in the Philippines to generate jobs as well as to put in much needed infrastructure and also to provide a better degree of social equity since we must in the process also reduce poverty and distribute the good [word indistinct] of our progress. [passage omitted]

[Reporter] The military has been reporting a continued decline of the insurgency. At this point, what is your assessment of the CPP-NPA [New People's Army]? Do you still consider it as a threat?

[Ramos] They are not a national threat of the proportion that they used to be. Their capabilities have declined, their numbers have been reduced very much, and their powers have been reduced very much. They, however, still constitute a threat to some local communities, especially in the very upland areas. So there is a big difference there. It has declined very, very substantially as a threat to our national security, but it is to the very remote communities which are far from government centers which they could be still a threat. But the decline is there.

[Reporter] Thank you very much, sir.

[Reyes] Thank you, Mr.President.

[Ramos] Thank you very much.

Paper Warns Against Japanese 'Muscle Flexing'

HK0401080693 Quezon City MALAYA in English 3 Jan 93 p 4

[Editorial: "Ominous Move"]

[Text] Tokyo, under the pretext of the need to strengthen its role in United Nations peacekeeping operations, has floated the idea of amending its post-World War II constitution banning settlement of international disputes by force.

The proposal came from Foreign Minister Michio Watanabe, but given the highly consensual nature of policymaking in Japan, there can scarcely be any doubt that the leadership of the ruling Liberal Democratic Party [LDP] is behind this move. This will surely spark an uproar, as did the Peacekeeping Operation [PKO] law which authorized the sending of Japanese troops abroad. But unless the proposal meets Japanese popular resistance much more broader than that encountered by the PKO law, the LDP will surely railroad the proposed constitutional amendment through.

Asian countries that suffered from Japanese occupation, including the Philippines, ought to be scared by this development.

Watanabe's justification for the muscle flexing doesn't wash. There are only 600 Japanese troops seconded to the UN Transitional Authority in Cambodia [UNTAC]. They can go home tomorrow and they wouldn't be missed in that war-battered country. The Philippines has 345 men with UNTAC. We can double the number any time and still have thousands in the waiting list.

The dispatch of Japanese troops was actually a response to Western criticisms of Tokyo's refusal to send troops during the Gulf War. Japan pitched in with $1 billion but those who contributed warm bodies to President George Bush's war against Saddam Hussein wanted more.

The Cambodia peacekeeping operations, brokered by the Association of Southeast Asian Nations, offered Tokyo the perfect opportunity to reverse its 45-year home defense policy. Cambodia has the required humanitarian dimension; intervention aims to introduce stability in the most troublesome country in the region; and the whole international community is solidly in support of the UN peacebuilding mission.

Even the response of the Asian victims of Japanese aggression was muted when the PKO was passed and the Japanese troops were dispatched. Japanese troops landed on Philippine soil for the first time in half a century in a layover on the way to Phnom Penh and created nary a stir in the country which suffered the most in Southeast Asia during the war. The Japanese transport planes could have flown direct to Cambodia. They doglegged to test the Filipino reaction. There was none.

Tokyo apparently has been emboldened by the lapse of memory among Asian countries devastated in the last war. Now it wants to send combat troops abroad. Sure, the troops will be operating under UN mandate—this time.

How about tomorrow? A Greater East Asia Co-Prosperity Sphere, Part 2?

Manila Concerned Over Japanese Military Policy

HK0501061893 Quezon City MALAYA in English 5 Jan 93 p 2

[Text] Manila is concerned over a reported plan by Tokyo to amend its constitution to allow the sending of Japanese combat forces in support of peacekeeping operations of the United Nations, diplomatic sources said yesterday. Sources said the Department of Foreign Affairs [DFA] has begun monitoring moves by the Japanese government, particularly the ruling Liberal Democratic Party, on the issue.

Foreign Affairs Secretary Roberto Romulo, however, declined to comment. "You have to run to Singapore and seek (former Prime Minister) Lee Kuan Yew's comment," he said. Singapore and the Philippines were among the Asian countries which came under brutal Japanese occupation during World War II.

The plan to change Japan's post-war constitution which bans settling international disputes by military force was announced by Japanese Foreign Minister Michio Watanabe. Last year, Tokyo passed a peacekeeping operations (PKO) law allowing the deployment of Japanese forces abroad for the first time since the war on condition that they do not take part in combat.

Tokyo has sent some 600 soldiers to war-torn Cambodia as part of the United Nations Transitional Authority in Cambodia after the law was passed in June. Observers said the PKO law and Watanabe's plan constitute what could be described as part of the revival of Japan's militarist tradition. Japan is reported to be seeking a more active role in security concerns in the Asian-Pacific region commensurate to its economic status. "We are on the alert," a DFA official said but did not elaborate.

Former NDF Official on Leftist Stand on Talks

HK0101105593 Manila Radio Veritas in Tagalog 1044 GMT 31 Dec 92

[Telephone interview with former National Democratic Front spokesman Satur Ocampo by "Night Watch" news program anchorman Jun Tania—live]

[Text] [Tania] Friends, at this moment, we have Comrade Satur Ocampo on the telephone. Comrade Satur, Happy New Year.

[Ocampo] Happy New Year, and good afternoon to you, Jun, and to all listeners of Radio Veritas.

[Tania] We called you because two days ago, I was talking to Jose Maria Sison [Joma], and I mentioned your proposal to help patch up the so-called rift between him and three former members of Communist Party of the Philippines [CPP]. What's your reaction to this?

[Ocampo] It is good that Joma is open to our efforts to patch up differences and end the exchange of accusations and sharp words through the media. I will try to do what I can as soon as possible.

[Tania] We have received a report from the CRS [Armed Forces Civil Relations Service] which says that Joma's comrades in the CPP seem to be challenging him to return so he can run the CPP from here. Based on your discussions with the CPP cadre, do you think this is their sentiment?

[Ocampo] That is correct. If Joma wants to take part—and he remains an important part of the revolutionary movement, although he has been forced to stay in the Netherlands because his passport has been cancelled—they are waiting for his return. He has said that he would be returning at the right time. It just cannot be said when that will be. Of course, the people's sentiment is that since the struggle is going on here—especially now, when a lot of important issues have to be resolved—it is best that all those involved in the discussion are here.

[Tania] In your estimate, Comrade Satur, will the rift between Joma and the others in the local leadership of the CPP lead to the creation of two factions in the CPP?

[Ocampo] There is an effort to avoid division in the debates on important issues within the revolutionary movement. I trust that the extreme will be avoided. As Joma said, he is open to our mediation. Those who are in Manila, the three he had criticized, are also open to the proposal to discuss this in the right forum and resolve differences in how they view the revolutionary movement's experience in its efforts to achieve victory.

[Tania] What is your reading, as a yearender, on the revolutionary movement, especially the CPP and the National Democratic Front [NDF]?

[Ocampo] Of course, at this time, during New Year, those in the revolutionary movement come up with resolutions to intensify their efforts to advance the struggle. There are two aspects here. Overall, there is a call and an ongoing effort to correct past mistakes and advance the revolutionary movement on all fronts. One important aspect is the peace negotiation which, at present, seems to have been bogged down because of the government's hardline position regarding the issue of venue for the negotiations. The government is opposing the NDF proposal to hold the talks in a neutral place abroad, with a third party mediator. In my opinion, if the Ramos government is really sincere in its efforts to achieve peace, it has to adjust its hardline positions which have become obstacles to the peace process. In other words, first, the government should keep its promise to free all political prisoners immediately. Today's newspapers said that the remaining political prisoners could be freed by February. In our estimate, they total more than 400 in various prisons all over the Philippines. Second, the government should allow the continuation of exploratory talks between Luis Jalandoni as official NDF representative and Congressman Jose Yap as government emissary and representative. In my view, there should not be a big problem if Congressman Yap goes back to the Netherlands because he had done this in September, during which the first agreement to hold the peace talks was reached. He can be accompanied by NUC [National Unification Commission] representatives like Bishop Capalla who went to Ultrech only recently to meet with Luis Jalandoni.

[Tania] So you still believe that we can reach a point where formal peace negotiations can start between the NDF and the government?

[Ocampo] In my view, yes, because both parties can avoid adopting hardline positions. Just because [NUC chairperson] Haydee Yorac and other government representatives said the peace talks should not be done abroad but here...[changes thought] Because the NDF seems to be sending signals that if the government hardens its position, then they will not be willing to talk peace. It is still early for both parties to withdraw from the talks. A lot still has to be proved, a lot to be resolved, before the most important part of the negotiations is reached, which is about the agenda. It seems that what happened in [the peace negotiations of] 1986-87 [in which Ocampo represented the NDF] is being repeated. At that time, we could not make progress because we could not agree on the agenda. Since there is already an agreement on the four-point agenda in the so-called joint declaration of The Hague of September 1, 1992, what is important now is to clear what had been identified as obstacles to the process so that the parties can reach the core of the peace process—when the committees of the two parties meet to discuss the steps needed to lay down the conditions to achieve peace, to end the battle, and to lay down reforms in our economy, our society, our politics—all of which would be the framework of national unity and cooperation.

[Tania] Thank you for your time, and again, Happy New Year, Comrade Satur.

[Ocampo] Happy New Year to you too, Jun, and to our listeners. I hope that we will see in the coming year the peace we have been longing for, but this, as is often said, should be based on justice. Which means correcting injustice, oppressive conditions, poverty, and hopelessness of the poor, who make up the majority, and for the government to realize that for peace to be achieved, it should adopt reforms in its policies and programs.

CPP Reportedly Dismantles Assassination Group

HK0101021893 Manila PHILIPPINE DAILY INQUIRER in English 1 Jan 93 pp 1, 8

[Report by Dario Agnote]

[Text] The top leadership of the Communist Party of the Philippines [CPP] has disbanded its squad of killers, known as "sparrows," in Metro Manila, a CPP official said in a recent interview.

Gregorio Rosal, alias Ka [Comrade] Roger, told the INQUIRER in his mountain lair in Southern Tagalog that the CPP Central Committee dissolved the dreaded Alex Boncayao Brigade [ABB] during a controversial plenum in July.

He said the 10th Central Committee plenum, which has triggered a serious rift within the party, ordered all ABB members out of Metro Manila and concentrate on the building of rebel forces in the countryside.

But Rosal, head of the New People's Army [NPA] unit operating in Southern Tagalog, said some ABB members have chosen to remain in Metro Manila.

The plenum also dissolved the CPP Manila-Rizal Regional Party Committee, which supervised the brigade, but key committee members have reportedly questioned the directive and also refused to shift to the countryside.

"I think they are part of a small group which is confused about the current situation," Rosal said in the vernacular, apparently referring to a serious dispute between exiled CPP leader Jose Ma. Sison and some local cadres on leadership and direction of the 24-year insurgency.

Rosal, a Sison supporter, admitted that some ABB members had turned to kidnappings and bank robberies to finance their operations, and the plenum had reportedly condemned their actions as "gangsterism."

The ABB pulled its first spectacular operation in 1984 with the assassination of P/Brig. Gen. Tomas Karingal in Quezon City. Since then, scores of policemen, soldiers and local officials have died in the hands of ABB gunmen, dubbed "sparrows" because of their swiftness. ABB gunmen are usually armed with .45 cal. or 9 mm automatics, M-16 and UZI assault rifles.

In April 1989, communist gunmen claimed responsibility for the ambush-slaying of U.S. Col. James Rowe, a Vietnam war veteran and key official of the Joint RP [Republic of the Philippines]-U.S. Military Advisory Group.

Still, Rosal voiced hopes these "stubborn" party and ABB members would soon realize the futility of the urban insurrection at the moment. "They will eventually shift to the countryside," he added.

He said the party has neglected its work in the countryside which had been the key to growth of the rebel movement in the 1970s and early 1980s.

The plenum reaffirmed the Maoist strategy of seizing power through a long guerrilla war by encircling the cities from the countryside.

The plenum blamed serious setbacks suffered by rebel forces on advocates of quick victory through urban uprisings and big NPA offensives.

"We cannot subsitute insurrection with protracted war. We have to cripple the government in the countryside before insurrection can succeed in the cities," he said.

Rosal said a sizable number of urban guerillas stayed in Southern Tagalog for more than 11 months last year to train in hand-to-hand combat, markmanship and other terrorist tactics.

Rosal said the "insurrectionary force" was sent back to Metro Manila to intensify the so-called "politico-military struggle" in the capital.

The plan, however, was aborted by the Central Committee.

In its 24-year assessment of the rebel movement, the Central Committee concluded that urban insurrection similar to that of El Salvador and Nicaragua could not be applied here.

The plenum said party membership has dropped, NPA guerilla fronts have been reduced, and the mass base has shrunk not only because of military attacks but more because of the "wrong" strategy.

'Hit Squad' Defies Disband Order

HK0401061393 Manila PHILIPPINE DAILY INQUIRER in English 4 Jan 93

[Report by Dario Agnote]

[Text] A dreaded "hit squad" of the New People's Army [NPA] yesterday defied an order from the Communist Party leadership for it to disband even as the guerilla unit vowed to pursue armed operations in Metro Manila.

Communist leaders in the metropolis also ignored the policy of the CPP [Communist Party of the Philippines] Central Committee for them to abandon the urban areas and help strengthen rebel forces in the countryside.

They said the policy was formulated by an "illegitimate, nonexistent and bogus central committee."

"We are still intact and we will certainly pursue our revolutionary tasks not only in Metro Manila but in other urban areas as well," Sergio Romero, head of the operational command of the NPA Alex Boncayao Brigade [ABB], said in a clandestime interview yesterday.

The ABB has been blamed for the murder of US Army Col. James Rowe of the Joint RP-US Military Advisory Group in 1989. The urban guerilla group is also believed to be behind the assassination of over 200 policemen and officials since 1984.

Carlos Forte, secretary of the Manila-Rizal Regional Party Committee (MARRPC), told the INQUIRER in the same interview that all units of the 5,000-strong regional party organization, which includes the ABB, "have stood as one against the bogus 10th plenum."

Forte was referring to the controversial plenum of the CPP Central Committee in July. The plenum reaffirmed the Maoist strategy of seizing power through a long guerrilla war by encircling the cities from the countryside and repudiated the line of quick military victory through urban uprisings and big NPA offensive.

The two communist cadres claimed the Central Committee's decision to pull out the ABB and the MARRPC was actually "an alibi" to dismantle units that refused to recognize the validity of the 10th plenum.

The plenum reportedly elected CPP founding head Jose Ma Sison, who is on a self-imposed exile in the Netherlands, as chairman. Sison has denied having any leadership role in the communist movement.

"National, regional and international organs, units, and cadres of the CPP, including the biggest territorial party commission, the Visayas Commission, and the former general command of the NPA, have issued their strong formal opposition against the bogus 10th plenum and its farcical rectification campaign," Forte said.

Gregorio Rosal, alias Ka [Comrade] Roger, head of the NPA until operating in Southern Tagalog and a known supporter of Sison, has admitted that a "small, confused" section of the underground movement was questionining the authority of the CPP leadership.

Forte and Romero insisted that rebel activities in the urban areas are part of the revolutionary struggle being waged in the countryside."

"We see the effectivity and necessity of the armed component in the urban areas," Romero said in the vernacular. "We are not insurrectionaries."

Forte said: "The nature of the struggle in the urban areas is simply defensive and now they want to make it defenseless."

Forte and Romero called on all party leaders and members to call for a national congress to resolve questions on the leadership and direction of the CPP. Both were confident that the serious rift wracking the movement would be resolved in two months.

In a statement sent to the INQUIRER last week, the two cadres denounced Sison as a "degenerate communist and an unremoulded misfit undeserving of our revolutionary respect and high regard."

When asked yesterday if they wanted Sison ousted as party chairman, Forte took a long pause and said: "Sa ikinikilos niya ngayon hindi siya karapat-dapat na mamuno sa partido [Because of his current actions, he is not worthy of leading the party]."

Forte and Romero also denied Rosal's claim that only a handful of cadres were opposing the policies of the new CPP leadership as laid down by Armando Liwanag in a document titled "Rectify Errors and Reaffirm Basic Principles." Liwanag is believed to be Sison's nom de guerre.

"Ka Roger's allegation that only a handful of party elements are opposed to the bogus 10th plenum and recitification campaign is nothing but a mouthful of lies," Forte said.

He urged Rosal "to desist from mouthing the enemgy's propaganda line and talking like a state witness against the ABB."

In an earlier interview, Rosal admitted to INQUIRER that some ABB member had turned to kidnappings and bank robberies to finance their operations.

Romero admitted that Alfredo de Leon, a former ABB commander who is now tagged by authorities as Public Enemy No. 1, has resorted to "gangsterism," a term used by Rosal in describing the ABB's activities.

"But he said De Leon was no longer connected with the ABB when he resorted to such activities.

"Kami nga hina-hunting din namin si De Leon, eh [We are also hunting De Leon]," Romero said.

As this developed, former National Democratic Front leader Satur Ocampo confirmed reports that the ABB was disbanded "for excesses."

"The operations were stopped because there were excesses," REUTERS quoted Ocampo as saying. "There had been indiscriminate targetting of even traffic policemen."

Ocampo also said ABB members burned several buses during a transport strike three years ago and this created a negative backlash.

Rosal led some 200 communist guerrillas and sympathizers during the 24th founding anniversary of the CPP in the boondocks of the Sierra Madre on Dec. 26. He urged his followers to "reaffirm and rectify the errors committed by the party during the past 10 years."

Cordillera No Longer Communist 'Stronghold'

HK0501063293 Manila BUSINESS WORLD in English 5 Jan 93 p 10

[Report by Wilfredo G. Reyes]

[Text] The military claimed yesterday the Cordillera region is no longer a stronghold of the insurgents.

Armed Forces Civil Relations Service (CRS) chief Brig. Gen. Romeo Padiernos said "at least three" of the five insurgent guerrilla fronts in Northern Luzon, which government forces dismantled, belonged to this region.

The military defines guerrilla fronts as geographical areas, often bordering more than one province, from which insurgents direct operations.

Northern Luzon covers the Cordillera region, where the insurgents tried to develop a secure base camp similar to Mao Zedong's Yenan base during mainland China's revolutionary period.

"This was supposed to be where they (insurgents) could recruit and train new cadres and engage in farming to feed themselves," Gen. Padiernos said.

He added government forces disbanded the insurgents' elite 1st National Battalion which operated in the region. "This forced Cordillera rebel leaders to reorganize its remnants into platoon-size units," he explained.

He added the size of the insurgents' militia ng bayan [national militia] regarded as an indicator of the size and strength of their mass base, shrank from 1,280 to 470 people in the region by the end of last year.

Among the five guerrilla fronts dismantled last year were those covering Sagada, Mountain Province and Marag Valley along the boundary of Kalinga-Apayao and Cagayan provinces.

These areas were considered strong insurgent base areas until last year. The CRS chief said there are only seven guerrilla fronts left in Northern Luzon area compared with last year's 12 fronts.

Full Foreign Equity in Strategic Industries Allowed

HK3112024692 Manila PHILIPPINE DAILY INQUIRER in English 31 Dec 92 p 17

[Report by Corrie S. Narisma]

[Text] The government has decided to allow 100-percent foreign equity participation in industries that are considered as strategic for the development of the economy.

An inter-agency committee composed of representatives from the Board of Investments and the National Economic and Development Authority identified as "strategic industries" those activities involving the production of coal and petroleum products, electricity, and gas. These broad categories include petrochemicals, plastics, oil production, and oil refining.

Section 10 of the Foreign Investments Act (FIA) requires the formulation of a list of industries strategic to the development of the Philippine economy. This, it said, must specify, as a matter of policy but not as a legal requirement, the desired equity participation of the government or Philippine nationals. The authors of the FIA apparently wanted to ensure that the government or Filipinos would hold a stake in such strategic industries to safeguard national interest.

However, the inadequacy of local capital and the lack of specialized or advanced technology here prompted the inter-agency committee to set aside this position and fully open up strategic industries to full foreign equity ownership.

Industries will be classified as strategic if these are:

—Crucial to the accelerated industrialization of the country;

—Require massive capital investments to achieve economies of scale for efficient operations;

—Require highly specialized or advanced technology;

—Characterized by strong backward and forward linkages with most industries existing in the country, and

—Generate substantial foreign exchange savings through import substitution and dollar earnings through exports.

The committee did not include the iron and steel industry in the list because it is already considered as strategic under the Iron and Steel Industry Act. The committee set at zero the suggested equity of the government and Filipinos in these industries in a bid to attract more foreign investors.

BOI [Board of Investments] officials said that this decision finally aligned the FIA with the Omnibus Investments Code, which already allows 100-percent foreign ownership of pioneering activities that include the strategic industries identified by the inter-agency committee.

Foreign and local business groups, however, believe that investment enhancing measures that will fully support the FIA should be adopted to lure substantial foreign investments. Several bills aimed at supporting the FIA are pending in Congress. Among these are the horizontal application of the Condominium Act, the improvement in the Anti-Dumping Act, and the amendment of the Retail Trade Law.

Semi-Conductor Exports Decline in 1992

HK0501063693 Manila MANILA STANDARD in English 5 Jan 93 p 14

[Report by Edu Lopez]

[Text] The depressed market in the United States and Japan coupled with the factory downtime caused by the power shortage reduced exports of semi-conductor devices and components last year, sources at the Department of Trade and Industry (DTI) said yesterday.

Decreased demand for semi-conductors manufactured locally from materials imported on consignment basis was traced partly to the recession in the U.S. and Japan, two of the biggest markets for these export products.

The manufacture and production of semi-conductor devices, diodes, and finished electrical and electronic machinery equipment are highly-dependent on electricity.

The sources said that notwithstanding the use of back-up generators, manufacturers suffered downtime losses anyway because their machineries had to undergo calibration for about 30 minutes or more to achieve the desired levels of temperature and humidity every time normal electricity supply resumed.

Thus, the intermitent power outages caused significant production losses.

Initial estimates made by the DTI show that export earnings from semi-conductor devices dropped by $7.62 million, all told. The output of finished electrical and electronic machinery also declined by $7.26 million. Production of diodes (not photosensitive nor light emitting diodes) slid by $3.72 million; and photosensitive semi-conductor devices, by $3.48 million.

Automotive parts and accessories, transport equipment and machineries which were assembled here on consignment basis also showed declines in export earnings because of reduced orders from the countries suffering recession.

In 1991, exports of semi-conductor devices and components reached $1.36 billion and accounted for about 15.39 percent of total exports of $8.83 billion.

In that year, the electronics group which include semiconductor devices and components was the country's top dollar-earner with over $2.31 billion in total export receipts. Exports of garments came in second with total receipts amounting to $1.74 billion.

Thailand

Majority of 30,000 Loggers in Cambodia To Remain

BK0501031893 Bangkok THE NATION in English 5 Jan 93 p A5

[Text] Most of the 30,000 Thais involved in logging in Cambodia have chosen to remain in Khmer Rouge-controlled territory after the United Nations' economic sanctions against the radical Marxist faction went into effect on Friday, according to a senior Interior Ministry official.

Deputy Interior Minister Suthat Ngoenmuen said yesterday an unknown number of Thai workers, most of them employees of logging companies, voluntarily stayed because they expected the economic sanctions to be lifted soon.

"The UN sanction prohibits only the export of logs but logging is still allowed. The Thai workers want to wait for a while," Suthat said.

The minister said virtually all of the 30,000 Thais working with logging companies in Khmer Rouge-controlled areas had gone there without the knowledge of the Labour Department.

Suthat said he was not aware of speculation that some of the Thais had been forced to stay with the Khmer Rouge against their will.

The minister said the Interior Ministry and the Public Health Ministry would set up a reception centre.

He said the Labour Department would also admit those Thai returnees who wanted to undergo various job training programmes to its training schools in Chonburi and Ubon Ratchathani.

French Chief Asks for Cooperation in Cambodia

BK0501051893 Hong Kong AFP in English 0755 GMT 4 Jan 93

[Excerpts] Bangkok, Jan 4 (AFP)—French army commander-in-chief General Marc Monchal met Thailand's defence minister and senior army commanders here Monday and asked for Thailand's cooperation in ensuring peace in Cambodia.

Monchal arrived here Sunday night after a two-day visit to Cambodia where he met French troops serving with the United Nations Transitional Authority in Cambodia (UNTAC), a French Embassy official said.

During talks with Wichit Sukmak, Thailand's minister of defence, Monchal asked for cooperation from the Thai military in supplying information about the military situation in Cambodia, a television news report said.

Monchal also had talks with Thai Army Commander Wimon Wongwanit and inspected a guard of honour. [passage omitted]

On New Year's eve Thailand sealed its 680-kilometre border with Cambodia to prevent the export of logs from that country and to enforce a UN Security Council resolution aimed at cutting the supply of petrol products to the Khmer Rouge.

There are concerns in Cambodia that the Thai military, which still keeps tight control of the border, might turn a blind eye to companies breaking the sanctions. [passage omitted]

An opposition MP Monday accused UNTAC of favouring Japanese companies, which he claimed had set up some 28 sawmills in Cambodia to bypass the ban and had influenced UNTAC to exclude sawn timber.

Thanit Kraiwut, from the Thai-Cambodian border province of Trat, said Japanese companies were the main loggers in Cambodia and would continue to profit through sawn timber while Thai companies were losing millions of dollars because of the ban on the export of unprocessed logs.

Burmese Moves Against Karen Violate Border

BK0501023493 Bangkok THE NATION in English 5 Jan 93 pp A1, A2

[Text] Burmese troops have committed another border offence by moving onto a borderline close to Mae Hong Son Province, an area traditionally left unoccupied by both Thailand and Burma, provincial officials said yesterday.

The number of troops on the ridge of Patang Hill in Mae Hong Son remains unconfirmed but military personnel estimated no fewer than 100, the officials said.

Col Niphan Siphaibun, deputy director of the province's anti-communist commission, has sought the help of Deputy Foreign Minister Surin Phitsuwan to notify Rangoon about the incident, which Thailand viewed as violating border regulations.

Niphan said at least 100 other Burmese troops have been spotted close to borderline opposite the Ton Nun area of Mae Hong Son's Khun Yuam District.

The border offence was reported as Bangkok and Rangoon try to settle a dispute over the ownership of strategic Hill 491 in Chumphon Province.

Niphan said that an ad hoc committee should be set up to consider the alleged intrusion by Rangoon troops onto Patang Hill, which straddles Mae Sariang District and Burma's Choe-i-der village.

The army last month discovered the presence of Rangoon troops on the hill during routine air surveillance, he said.

The army steps up surveillance during the dry season, when Rangoon troops usually launch major offensives against Karen guerrillas.

An informed source said that the borderline at the hill was demarcated in 1940. According to joint boundary regulations, the source said, the ridge of a mountain would be regarded as a common border for all practical purposes.

Therefore the presence of the Burmese troops on Patang Hill was not the result of any uncertainty over the demarcation of the border between Thailand and Burma. There is clear indication that Burmese soldiers have crossed into "no-man's land," the same source said.

The incident at Patang Hill is unlike the border conflict over Hill 491, which is claimed by both countries, the source pointed out.

The Boundary Commission (BC) is expected soon to delineate Hill 491. The date for the next meeting of the commission is now being discussed by officials of both countries. Burma has suggested the second week of this month while Thailand was looking to the end of February.

Surin, who visited Mae Hong Son over the weekend, was informed of the alleged new intrusion. The deputy minister said that he would discuss the matter with the armed forces.

Provincial officials said that about 6,000 Burmese troops were discovered mobilizing opposite Mae Hong Son Province, preparing to attack the Karen during the current dry season.

During the annual Burmese offensives against the Karen rebels, Thailand has to bear the consequences of their attacks, such as the influx of refugees and the wounded seeking medical treatment at Thai hospitals.

Some Thai villagers residing along the border last year were injured and killed when Burmese artillery shells landed on Thai territory. Their houses and properties were also been destroyed or damaged.

Tourism in Mae Hong Son was badly hurt by the fighting in Burma. Cancellations of flight bookings and hotel reservations had become commonplace when publicity was given to the spillover of fighting.

Communicable diseases including malaria and cholera also spread to Thai villagers from Burmese fleeing the fighting to receive medical treatment at Thai hospitals.

Surin said a seminar of border district chiefs should be held to coordinate their efforts if a conflict erupted.

The seminar, to be organized by the Foreign Ministry, is aimed at instructing the district chiefs on how to handle the anticipated influx of Burmese refugees into Thailand, Surin said.

Surin yesterday inspected Ban Nam Phiang Din village in Mae Hong Son's Muang District, which is adjacent to the Burmese Pong Lao village. Last year, Muang District chief Niphon Khampha and his team were held hostage by Burmese troops from the Pong Lao military camp as he sought to find out the whereabouts of six Thai villagers who had earlier vanished in the area.

Niphan yesterday said that mutual ties have been improved since the incident and local officials from both sides have had good cooperation.

Thai fishermen have been allowed to catch deep into the Burmese side where the river Pai joins the Salween in Burma, Niphan added.

Deputy Foreign Minister on 'Aggressive' Policy

BK0501015893 Bangkok Radio Thailand Network in English 0000 GMT 5 Jan 93

[Text] Deputy Foreign Minister Surin Phitsuwan says the Ministry of Foreign Affairs will adopt an aggressive foreign policy in 1993. Mr. Surin said the policy will make Thailand one of the world's diplomatic frontline states, a position it has occupied in the past. He said the aggressive policy will be adopted through the expansion of economic and trade relations, including cooperation in other fields with various regions in the world. This will bring great benefits to the country as a result.

The deputy foreign minister said that during its three months in office, the government's performance in foreign affairs has been satisfactory. He said the government has adopted diplomatic means in solving border conflicts with Myanmar [Burma] and Cambodia. Mr. Surin stressed that this government tries to avoid confrontation and the use of force in solving problems. With this principle based on national interests, Thailand has faced no damage or strong negative effects. The government will, therefore, continue this principle.

Paper: Nuclear Disarmament Just Beginning

BK0501033093 Bangkok THE NATION in English 5 Jan 93 p A6

[Editorial: "Nuclear Disarmament Is Not a Done Deal With Start 2"]

[Text] Outgoing US President George Bush and Russian President Boris Yeltsin on Sunday signed a historic arms reduction treaty to scrap some of the world's deadliest nuclear weapons. After two decades and the collapse of the Soviet Union, the two sides have agreed to hammer out a series of agreements to reverse the superpower arms race.

The Strategic Arms Reduction Treaty (START) 2 will reduce strategic nuclear warheads by between 3,000 and 3,500 on each side by the year 2003 or by the year 2000 if the United States can help finance the elimination of Russia's weapons. To be eliminated will be the most destabilizing strategic weapons which include heavy intercontinental missiles such as the much-feared Russian SS-18s and multiple warhead missiles.

'Good of All Mankind'

Bush called Start 2 "something for the good of all mankind" and added on Sunday that "for parents and children, it means a future far more free from fear." Yeltsin, echoing Bush's remarks, said Start 2 was the "document of the century and the moral meaning of this treaty lies in the fact that we will be able to hand over to our children, the children of the 21st century, a more secure world."

However momentous Start 2 might be, beating the nuclear swords into plowshares is now the newest arms challenge, which in existing global realities is easier said than done. As it is right now, Yeltsin is likely to face a tough debate over the ratification of Start 2 in the Russian parliament, where some see it as favouring the United States.

Even Russian Foreign Minister Andrey Kozyrev, speaking to the NBC Television Network on Sunday night, said it would not be easy to persuade Russia's conservative parliament to approve the deal. Russia's parliament was elected under rules in force before the collapse of the Soviet Union and is heavily weighted towards old-styled communists. The inevitable fact remains, however, that despite the dismantling of the nuclear missiles, the United States will still have first-strike capability over Russia.

Other than Russia's parliament, the other problem will be the Soviet Union's successor states of Ukraine, Kazakhstan, and Belarus, which agreed to abide by Start I (which Bush and Yeltsin signed last July) but have yet to ratify the treaty. Also, the three states have not ratified the Nuclear Non-Proliferation Treaty signed by the former Soviet Union before its disintegration. Of the three, Ukraine has protested the loudest about renouncing its nuclear status, saying that the financial burden of disarmament is totally inequitable.

Citing economic difficulty, Ukraine says it would find it extremely difficult to come up with a sum of US$1.5 billion to cope with the enormous task of dismantling its vast arsenal of nuclear, biological, and chemical weapons, and called on the international community to foot the bill.

Economic difficulties will also plague Russia in fulfilling its commitments towards Start 2. The United States has offered US$400 million to help Russia solve all the problems of transporting, storing and dismantling nuclear weapons. But the aid has been slow in coming: None of the agreements reached so far will be implemented earlier than June. Included in the assistance is a US$25 million purchase of special railroad cars and armoured blankets to ensure safe transport of the weapons. But these cars won't be ready until 1994.

Last June, the Yeltsin government approached the United States for help in building a US$300 million bomb-proof warehouse near Tomsk in Siberia to store 100,000 nuclear weapons components. Although a US$15 million US-Russia deal was signed to study storage facility designs, any such plant would take at least five years to build.

Third Country Proliferation

Clearly, the signing of Start 2 by the United States and Russia does not mean that nuclear disarmament is a done deal. Third country proliferation still remains a headache in the post-Cold War world. Iraq, for instance, proved two years ago that it was possible to carry out a secret nuclear programme, when its own was exposed only in the aftermath of Operation Desert Storm.

Also, fundamentalist Iran makes no secret of its desire to join the nuclear club, and there have been numerous reports that Tehran has obtained four pieces of nuclear weapons from former Soviet Central Asian republics. Closer to home, Indian scientists are testing the nuclear-capable intermediate-range Agni ballistic missile that is designed to carry a one-metric-tonne warhead over a distance of 2,500 kilometres.

Without doubt, the intent and the spirit of START 2 is, as Bush and Yeltsin put it, the United States' and Russia's "joint gift to the people of the Earth." The next round will be Bill Clinton's, who has to ensure that the surplus of nuclear warheads will not find its way to the nuclear black market and who must also put a check on proliferation in third countries. Only then can our children inherit a more secure world.

Decentralization of Authority Urged

BK0501033493 Bangkok BANGKOK POST in English 5 Jan 93 p 4

[Editorial: "Decentralization a Priority of 1993"]

[Text] As democracy becomes an ideal form of government in Thailand, decentralisation becomes a catchword of democratic-oriented politicians. Several measures to free local communities from total domination and control of the central government have been proposed and the ball is now very definitely in the Chuan Government's court.

The Palang Tham Party's proposal of allowing people to elect their provincial governors is still under the study of a committee dominated by Interior Ministry officials. The redrafted proposal to upgrade the tambon councils—grassroots quasi-local governing units—to the status of a juristic person and autonomous local body is about to be resubmitted to the Cabinet for consideration. At issue here is the degree of autonomy these small local governing units should be given and what their composition should be.

Historically, the existing local administrative system arose out of necessity. In the latter part of the 19th century, colonial powers Britain and France expanded their influence into Thailand, seriously threatening Thailand's independence and territorial integrity. This pressure forced the government of that time to tighten its control over local communities to prevent their representative authorities from signing any contract with foreign countries, or putting their land under foreign control. This had the effect of depriving local communities of the autonomy which they formerly enjoyed.

The local administrative reorganisation started during the reign of King Rama V and was accomplished by setting up provincial and district administraive units in all regions of the country. Central government officials were dispatched to administer the affairs of the provinces and districts under the policy guideline and orders issued by the central government. It has been about 100 years since this reorganisation began. Since then there has been no significant change in the national local administrative system, and local communities remain under the strict control of bureaucrats operating in distant Bangkok. The local people are not given the right to choose their own governor or to decide their own affairs.

Under the strong centralisation system, power is concentrated at the centre. Resources are drawn to the centre. And anyone seeking to advance his or her career in the bureaucracy has to come to the centre, because all major bureaucratic recruitments are conducted in Bangkok by the ministries and departments. This goes against the world trend and is prone to inefficiency and various forms of abuse. Reforms have been introduced to promote local autonomy throughout the last 100 years, but, in fact, the institution of municipalities in urban areas in 1935, sanitary districts in smaller communities in 1953, and provincial administrative organisation in rural areas in 1955 hardly provided any effective and meaningful local self-government at all.

These local governing bodies have been unable to pursue their own programmes of development since their financial and personnel management are tightly controlled by the central government. Moreover, the provincial administrative organisations and the sanitary districts are headed by the provincial governor and district chief, both central government officials.

With all the changes in the socioeconomic structures of society, people have become more educated, the private sector has expanded and local communities grow in size while foreign threats have largely disappeared. There is no legitimate reason for the central government to maintain its tight control over local communities as before. In principle, local communities would come together under one roof as a bigger community which would advance their common interests, well-being, and freedom. But the existing system works in the opposite direction. Their welfare is not properly taken care of. Their rights diminish significantly. They become ignorant subjects because they are prevented from getting involved in local affairs.

The recent protests in land distribution projects, salt farming, dam building, and other projects reflect the inability of the existing local administrative system to deal with local affairs effectively. Many local issues turn out to be national ones because of strong centralisation. The system—for want of a better word—becomes overloaded and administrative bottlenecks become the normal phenomena of Thai society because local administrative units have not been authorised to make final decisions on local problems.

The recent meeting of about 200 tambon chiefs, village heads, and primary school teachers in Bua Yai District of Nakhon Ratchasima Province reflected their dissatisfaction over the present local administrative system, which provides no meaningful autonomy to local authorities. They voiced concern that corruption in provincial and district circles is widespread. Of every 100 baht allocated to a development project in rural areas, only 50 baht was, in fact, spent. They claimed the rest went to the authorities concerned as commissions and kickbacks. Dirt roads are poor in quality. Laterite is not laid down according to set standards. Bureaucratic red tape is normal in local administrations.

There is no active leader to lead the local communities away from poverty and illiteracy because government officials are mainly outsiders who have no close concerns for the local communities' well-being. To maintain the existing local administrative system without any good reason can, more or less, be interpreted as exploitation of the centre over the local communities. And this can only court the dissatisfaction of the local people.

Considering the inability of the existing local administrative system to deal with the affairs and demands of local communities, a speed-up in the decentralisation of local government affairs is needed. An elected government which does not endorse decentralisation is unlikely to be healthy or to last long because it is showing a lack of truly democratic will. By doing so, it is depriving itself of the vital popular support it needs.

Government Recognizes Czech, Slovak Republics

BK0101003893 Bangkok BANGKOK POST in English 1 Jan 93 p 6

[Text] From today the Czech and the Slovak republics will be recognized by Thailand as two independent nations.

As of yesterday, the Czech and Slovak Federal Republic ceased to exist. From today the Czech and Slovak republics are two separate independent states.

The Thai ambassador to Prague [Kobsak Chutikun] will also be accredited to the Slovak Republic.

Crown Price Denies Ties to Business, Crime

BK0101144193 Bangkok BANGKOK POST in English 31 Dec 92 p 1

[Text] His Royal Highness Crown Prince Maha Wachiralongkon yesterday told selected reporters he was hurt and felt heavy-hearted by rumours that he was involved in the underworld.

"Do I look like a chao por (Mafia boss) type?" the Crown Prince asked.

"I tell you, if I were, I would have been a millionaire by now," said the Crown Prince in his first official denial of rumours that he was involved in any illicit trade.

"I was deeply hurt and felt heavy-hearted upon hearing the rumours. I don't understand why whenever anything goes wrong, it is always linked to me.

"I've heard allegations that I run a pub here, have a nightclub there, and fund a trust or finance company. The rumours even go further by saying I act as a powerful chao por, providing protection for sleazy businesses to operate beyond regular hours and allow my royal page to be in charge. I'm also accused of lottery rigging," the 40-year-old prince said at Nonthaburi Palace.

"I feel like nam tuam paak (as if his mouth was so full of water that he cannot speak). As a public figure, I'm not in a position to argue or clear my name.

"I'm glad the question was raised today. It's a question I've wanted to be asked for so long but no one did," he said, giving a reassuring smile.

"I have been brought up and taught by Their Majesties to know my duty as a member of the Royal Family. They taught me to think and act for the people first, even if I have to sacrifice something to achieve it. They have provided me with all I need and I have a large enough salary to lead a comfortable life. I have no need to be involved in illicit trade. The rumours are groundless.

"I went to a boarding school when I was young and then I was trained at a military academy. I have never received any formal or informal education on business administration or related subjects. If any business is put into my hands, I'm afraid it would suffer a great loss," the Crown Prince said.

"I've heard there are people who say they are my close aides or use my name to threaten others and abuse their authority. If anyone finds these people or is threatened by them, don't hestitate to notify the police. If any of my subordinates did that, I would not back them.

"I would like to emphasise that I hate anything that is illegal. Their Majesties taught me to avoid anything illegal or immoral, or anything which goes against good Thai tradition."

The Crown Prince said he was a supporter of youth activities and saw nightclubs as a threat to teenagers.

"Such a place could harm youths by putting temptation in their way. Children are said to be the future of the nation. I won't involve myself in any business which will harm the future of the nation."

He said he had never been involved in the lottery.

"I have never bought a lottery ticket in my life and I have never visited the Government Lottery Office. I don't know how to rig it.

"The money I spend is earned honestly. I don't want to touch money earned illegally or through the suffering of others.

"It's difficult for me as Crown Prince. I have no way to clear my name of allegations. All I can do is be patient," he said.

"I have no secrets. If asked, I am ready to clarify things."

The Crown Prince said anyone who used his name for their own benefit in an illicit business should be condemned.

"They are taking advantage of others for their own benefit. They harm not only me but all the Royal Family. If police find them, they should arrest them," he said.

Police Seizures of Heroin Double in Two Years

BK0201005993 Bangkok BANGKOK POST in English 2 Jan 93 p 3

[Text] The quantity of heroin seized by police in 1992 is double the 1990 figure, according to Anti-Narcotics Bureau Commissioner Pol Lt Gen Kowit Pakdiphum.

The seizure of other drugs including marijuana and amphetamines also increased. There were more arrests, and several raids on amphetamine production plants.

Pol Lt-Gen Kowit says that problems are intensifying despite strenuous efforts to stem the flow of drugs from the Golden Triangle, the world's largest heroin-producing area.

Heroin is smuggled through Thailand intended for other parts of the world, but a large quantity remains in the country and gives rise to problems of drug addiction, he says.

The total weight of heroin seized between January and October 1990 quadrupled compared with the same period in 1989, and the creation of a bureau from various agencies in the Police Department in 1990 accounted for the increase.

The bureau's efficiency in combating drug smuggling has been hampered by limited manpower; 600 men are spread too thinly to cover the entire country, Pol Lt-Gen Kowit says.

Vietnam

Party Officials Discuss Democratic Reform Calls

OW0501085293 Tokyo KYODO in English 0532 GMT 5 Jan 93

[Text] Hanoi, Jan. 5 KYODO—Top officials of the Vietnamese Communist Party have met to discuss growing calls for democratic reforms, with the aim of preventing a pro-democracy outburst such as that seen in China, sources close to the party said.

The senior members of the party's Central Committee met on Monday to deter a pro-democracy uprising in view of "the lessons of the (1989) Tiananmen Square crackdown in China," in which Chinese troops fired on demonstrators who were demanding democratic freedoms.

The committee may adopt a new policy of easing curbs on freedom of speech and expression to prevent people from reacting angrily to continual suppression of civic freedoms, the sources indicated.

They said the meeting took place in view of growing complaints and disaffection among pro-democracy intellectuals and artists against the tightening of the official grip on freedom of publication and speech.

Under the restrictive situation, Vietnamese critics and opponents of the communist government have clandestinely produced pro-democracy publications, triggering a clampdown on such underground publishers, the sources said.

In 1992 alone, about 10 editors and publishers of such dissident publications were detained, they said.

Such official crackdowns have recently come under growing criticism from both dissidents and officials, among them military heroes of the Vietnam war and the war against the French colonial government, who fear that repression could trigger a general rebellion, resulting in a Vietnamese version of the Tiananmen Square crackdown, they said.

The latest Central Committee meeting is being attended not only by members of the Politburo and party Secretariat, but also cabinet ministers and heads of provinces, they said.

The agenda includes policies on religion, health, education, and population, they added.

The U.S.-based human rights watchdog Asia Watch said Sunday that Doan Viet Hoat, a dissident intellectual detained without trial for more than two years, has recently written to party leaders urging democratic reforms.

Dai Hung Oil Deal, U.S. Trade Ties Viewed

BK0501040193 Bangkok BANGKOK POST in English 5 Jan 93 p 4

["Eye on Indochina" column by Jacques Bekaert: "Vietnam: Oil and Security"]

[Text] It has been a long wait. Finally the best oilfield of Vietnam, Dai Hung (Big Bear), has been allocated to a consortium that includes Australians, Malaysians, Vietnamese and another mysterious group.

Broken Hill Proprietary Co (BHP) of Australia will get 43.75 per cent of the production, Petronas Carigali Overseas Cie of Malaysia will receive 20 per cent, Petrovietnam will get 15 per cent, and the so-called "other group" will receive the final 21.25 per cent.

By all accounts, Dai Hung is a black gold mine. It is very close to the White Tiger (Bach Ho) field exploited by Vietsovpetro, the initial "owner" of Dai Hung. It produces at the moment about 80,000 barrels a day.

Production at Bach Ho went up in 1992, from 3.95 million tons to 5.5 million. The reserves of Dai Hung are estimated at more than 700 million barrels.

The final decision on Dai Hung has been postponed numerous times. Three companies were short-listed earlier last year. The bid winner was first expected to be selected by May. Then it was postponed until September, then October. At last, the decision came before the end of the year.

Obviously Vietnam needs money, and the income from Dai Hung will be substantial.

But why the previous delays?

Did the continuous postponement have something to do with the American trade embargo?

Last July, an official at Petrovietnam told us that Dai Hung "is very rich and it is time to bring it to production as soon as possible. There is almost no investment risk." But, he added, "choosing the winner is a delicate job, since each project has its own interesting characteristics." The winner would certainly be decided by the end of September, he said.

By the end of September the chances of America lifting its trade embargo still looked bleak. In fact, President Bush had just reconfirmed it for the coming fiscal year.

A reliable source in Hanoi at the time said that the famous "other group" hiding itself in the shadow of BHP and Petronas was American. And a senior source within the Communist Party of Vietnam told us that the desirability of the Americans had increased with the decision made in May by China to offer a block of oilfield to a small American company, Crestone. The Chinese decision was perceived by Vietnam as provocative.

The oilfield allocated to Crestone by Peking faces Dai Hung. The Chinese Navy promised to protect the Crestone operation. (It seems that Crestone officials were partly unaware of the extreme sensitivity of the area, and decided to go ahead because their block was claimed by only two contenders while other zones in the South China Sea have four or five claimants.)

American oil companies were actively establishing contacts in Vietnam, but they could not sign contracts. And for many of them it was very frustrating to see some of the best blocks go to foreign competitors.

But Dai Hung was very special. Experts say it is one of the richest oilfields in Asia. From a strategic point of view, it faces a Sino-American operation which seriously disturbs Vietnam.

In 1988, during a brief confrontation in the Spratly Islands, three Vietnamese vessels were fired upon and dozens of sailors were killed by the Chinese Navy.

The Chinese Navy may not be the most modern in the world, but it has been upgraded and modernised during the past ten years. It looks formidable compared to the very modest Vietnamese fleet. China has no aircraft carrier. Its plan to buy one from the Ukraine has been scrapped. But the Chinese Navy could indeed bring trouble close to Vietnam's continental shelf.

There was some lively debate among Vietnamese leaders on the question of the American presence according to reliable sources. All decisions related to oil are made at the very top level. Petrovietnam does not depend on the Ministry of Heavy Industry anymore, but is under the direct control of the Prime Minister. "Such decisions are not just economic, they are also highly political," an inside source said.

If American interests are indeed linked to the BHP-Petronas consortium, the Dai Hung decision seems to make a lot of sense from Hanoi's point of view.

Vietnam has been grateful to Australia for its role in bringing an end to the Cambodian conflict. Australia has been trying for years to talk to all sides of the conflict. Its Red Book served as a basis to the plan worked out by the Perm Five. Getting out of Cambodia had become important for Vietnam as it needed better relations with the Western world, Japan, and other countries who felt uncomfortable with Hanoi's military presence in Cambodia.

Australia also provided valuable assistance in upgrading Vietnam's poor telecommunications. It was thus only natural to thank Australia. And Dai Hung is indeed a wonderful prize.

Malaysia, like Singapore, fascinates the present Vietnamese leadership. Here is a Southeast Asian country with a healthy growth rate and political stability which in recent years has taken a keen interest in Vietnam. Hanoi also found out that Malaysia is a reliable business partner.

Although Dai Hung has been allocated to the BHP-Petronas consortium, the contract has not been signed yet. BHP officials are talking about the beginning of March. By then, the American embargo is expected to be lifted.

American officials admit that Vietnam has been extremely helpful during 1992 on the question of MIAs. Previously secret archives have been opened and US MIA commission members have been given access to previously off-limits sites.

Only a handful of people in the USA still vehemently oppose the normalisation of diplomatic ties with Vietnam. Vietnamese living in the USA since 1975 would like to see the normalisation linked to an improvement of the human rights situation in the country. But human rights are not mentioned in the famous Road Map which serves as the guidelines for American officials to upgrade relations with Hanoi.

George Bush can afford to do what he wants during the last three weeks in office. Lifting the US trade embargo would be applauded by the US business community and many Americans who believe that the time has come to put the Vietnam War to rest.

Vietnamese officials are now reassured that lifting the embargo is only a matter of time. By March there should be no problems to sign the final deal for Dai Hung and the identity of the mysterious "other group" could finally be revealed.

An American commercial presence in Dai Hung would probably reassure most Vietnamese that China will refrain from doing anything drastic in the area.

The lifting of the embargo and the establishment of normal diplomatic links between Washington and Hanoi worry a number of people in Vietnam. "It will bring all kinds of dangerous ideas," a military source concerned with the survival of a socialist Vietnam told us in Hanoi a few months ago.

But the presence of US companies and an American embassy should do less harm to the future of the Communist Party of Vietnam than growing corruption among its officials and the people's indifference toward an ideology that brings a lot less excitement than the latest kung fu movie from Hong Kong.

Additional Foreign Companies Open Offices

BK0501095693 Hanoi Voice of Vietnam in English 1000 GMT 30 Dec 92

[Text] By December 1992, 288 foreign economic organizations from 26 countries have opened their respective offices in Vietnam, inluding 19 from ASEAN and [word indistinct] organizations, 87 from Europe, and 10 from America.

Those offices are mostly located in Ho Chi Minh City and Hanoi. They are simply commercial offices or offices having concern with investment, such as transportation, foreign exchange, and oil and gas.

Biggest Foreign Investment Project Discussed

BK0401090193 Hanoi VNA in English 0644 GMT 4 Jan 93

[Text] Hanoi VNA Jan. 4—The State Committee for Cooperation and Investment has granted a licence to a foreign invested project with a total registered capital of 288.3 million U.S dollars, the biggest foreign-invested project so far.

The project named Chingfong-Haiphong Cement Company, is a joint venture between the Chingfong Investement Co. Ltd of Taiwan, the Vietnam National Union of Cement Factories and the Minh Duc Stone Quarry Enterprise of Hai Phong, to build a cement plant in Trang Kenh (Hai Phong) and a clinker crushing factory in Dong Nai Province (south Vietnam).

The joint venture has a prescribed capital of 90 million US dollars. Vietnam contributes 30 percent and Chingfong 70 percent mainly by the supply of equipment. It has a maturity period of 50 years.

In early 1992, Chingfong was already licensed to build a motorcycle production and assembly factory with a registered capital of 53 million U.S dollars.

Thus, Chingfong is now the foreign company with the biggest investment in Vietnam.

Government Condemns Expulsion of Palestinians

BK0401144093 Hanoi VNA in English 1425 GMT 4 Jan 93

[Text] Hanoi VNA Jan 4—President Le Duc Anh today described the Israeli authorities expulsion of Palestinians from their native land as immoral, and as a gross violation of international law, of the resolutions of the United Nations and the UN Security Council on Palestine and especially of the Geneva convention on the protection of war victims, and as an obstacle to the peace process in the Middle East'. [no opening quotation mark as received]

In reply to Palestinian President Yasir 'Arafat's letter concerning that incident, President Le Duc Anh said:

'We demand that the Israeli authorities take immediate measures for the safe repatriation of the displaced Palestinians to their native land and stop the recurrence of such an incident.

'As close friends of the Palestinian people, the Vietnamese people now as in the past support their just struggle for fundamental national rights including the rights to self-determination and to establish an independent Palestinian state'.

News Conference Publicizes Revised Laws

BK0401132993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 Jan 93

[Text] This afternoon, the Presidential Office held a news conference to make public the SRV President's order on promulgating the bill on amending and supplementing some articles of the Criminal Code, the bill on amending and supplementing certain stipulations of the Law on Criminal Procedures, and the bill on amending and supplementing various provisions of the Law on Foreign Investment in Vietnam which have just been passed by the Ninth National Assembly's second session.

At the news conference, Comrade Ha Manh Tri, member of the National Assembly Standing Committee and chairman of the Judiciary Committee; and Comrade Dau Ngoc Xuan, minister chairman of the State Commission for Cooperation and Investment, stressed the objectives and the need to supplement and amend some provisions of these laws. This is aimed at further perfecting the legal system of our state, strengthening the efficacy of the struggle against corruption and smuggling, creating better conditions for investment in Vietnam to attract more foreign investors, and effectively developing the national economy.

Investment, Anticorruption Laws Implemented

BK0501043893 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 3 Jan 93

[Text] Authorized by State President Le Duc Anh, on 2 January 1993 in Hanoi, Presidential Office Director Nguyen Viet Dung held a news conference to announce an order issued on 2 January by SRV President Le Duc Anh on the law amending and supplementing some articles of the Law on Criminal Legal Proceedings, the law amending and supplementing some articles of the Penal Code, and the law amending and supplementing some articles of the Law on Foreign Investment in Vietnam. These laws were passed by the SRV Ninth National Assembly in its Second Session on 23 December 1992.

After that, Ha Minh Tri, chairman of the National Assembly Judiciary Committee, presented amended, supplemented articles of the Penal Code and the Law on Criminal Legal Proceedings. The new articles are introduced in accordance with the fight against corruption and smuggling. The five amendments and three supplements of the Law on Criminal Legal Proceedings and 18 amendments and three supplements of the Penal Code impose heavier punishments and more strictly deal with corruption and smuggling.

Concerning smuggling, the new laws do not consider financial fines as a main measure but apply heavier punishments ranging from imprisonment to the death penalty. Conviction of abuse of power to appropriate socialist property or negligence in state property management also carry heavier sentences.

The chairman of the State Commission for Cooperation and Investment explained that the purposes and demands for the amending and supplementing of some articles of the Law on Foreign Investment in Vietnam are to encourage investment by foreign organizations and individuals in Vietnam and to provide better chances for Vietnamese businessmen of all economic sectors to broaden their cooperation and investment with foreign counterparts. The amended and supplemented texts of the aforementioned laws will be carried in daily newspapers.

Leaders Pay Last Respects to Hoang Quoc Viet

BK0401143193 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 29 Dec 92

[Text] A memorial service for Comrade Hoang Quoc Viet, a veteran revolutionary, was solemnly held at the Ba Dinh conference hall this morning.

Comrade Hoang Quoc Viet's remains were laid in state in a glass-top casket in the middle of the rostrum. Above the casket were the party banner and the national flag and the words in black: Boundless grief over the demise of Comrade Hoang Quoc Viet.

Among the first to pay floral tributes to Comrade Hoang Quoc Viet early in the morning were his close relatives, a delegation of veteran revolutionaries, and his former comrades in arms.

At 0800 [0100 GMT] sharp, a delegation of the Communist Party of Vietnam [CPV] Central Committee, led by Comrade General Secretary Do Muoi, paid a floral tribute to Comrade Hoang Quoc Viet. The wreath of the delegation bore the words: Boundless grief over the demise of Comrade Hoang Quoc Viet.

Accompanying the comrade members of the Seventh Party Central Committee were Comrades Pham Van Dong and Vo Chi Cong, advisers to the Party Central Committee, and many former Party Central Committee and Political Bureau members such as Comrades Vo Nguyen Giap, Le Van Luong, Van Tien Dung, To Huu, and so forth.

CPV General Secretary Do Muoi, the comrade advisers to the Party Central Committee, and members of the delegation of the Party Central Committee took turns to walk around the coffin of Comrade Hoang Quoc Viet to pay their last respects to the close comrade and veteran revolutionary. They then solemnly expressed condolences to members of Comrade Hoang Quoc Viet's family.

Comrade Nguyen Van Linh, adviser to the Party Central Committee, also sent a wreath to pay his respects to Comrade Hoang Quoc Viet. His wreath bore the words: Boundless grief over the demise of Comrade Hoang Quoc Viet, the man who had contributed to developing the party and movement during the most difficult stages of the revolution.

Vice President Nguyen Thi Binh paid a floral tribute to Comrade Hoang Quoc Viet on behalf of President Le Duc Anh, who was away on an official trip.

Next, the delegation of the Ninth National Assembly led by its Chairman Nong Duc Manh, the delegation of the Government of the Socialist Republic of Vietnam led by Prime Minister Vo Van Kiet, the delegation of the Confederation of Vietnamese Workers led by its Chairman Nguyen Van Tu, and the delegation of the Vietnam Fatherland Front Central Committee and intellectual personalities led by Comrade Vu Oanh took turns to pay their floral tributes to Comrade Hoang Quoc Viet. Their wreath was inscribed with the words: Boundless grief over the demise of Comrade Hoang Quoc Viet.

This morning, the delegations of various mass organizations at the central level and in Hanoi and the delegations of Hanoi municipality and Ha Bac—home province of Comrade Hoang Quoc Viet—also took turns to pay floral tributes to Comrade Hoang Quoc Viet, the man who had contributed to developing the party and movement during the most difficult stages of our country's revolution.

Together with members of Comrade Hoang Quoc Viet's family, Comrade General Secretary Do Muoi, Comrade Prime Minister Vo Van Kiet, Comrade National Assembly Chairman Nong Duc Manh, and many other party and state leaders then stood beside Comrade Hoang Quoc Viet's coffin. With boundless grief, they also expressed sympathy for members of the bereaved family on their great loss.

Premier Attends Conference on Smuggling Control

BK0401130193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Dec 92

[Summary From Poor Reception] The Prime Minister's Office reported that Prime Minister Vo Van Kiet recently attended the regular meeting of the Central Execution Council [CEC] [Hooij Dqoongf Xuwr Lys Trung Uwowng] to discuss measures to deal with officials involved in smuggling cases in border areas.

"Attending the meeting were Phan Van Tinh, deputy finance minister and chairman of the CEC; Phan Xuan Long, deputy interior minister; (Duong Van Hai), chief of the state committee for market management; Nguyen Thanh, deputy director of the Customs Department; Nguyen Van Minh, deputy chairman of the Lai Chau provincial people's committee; Tran Trung Thach, deputy chairman of the Kien Giang provincial people's committee; and other members of the CEC.

"At the meeting, the prime minister stressed the significant task of law enforcement agencies at the central level, and the important role of provincial people's committee chairmen in guiding the investigation, prosecution, and trial of law violation cases."

The conference discussed various cases involving car smuggling and other law violations in border areas. The meeting contended that the two volumes of goods imported recently by the Vietnam Economic Association and the Electronic Union Association were illegal, and that the Sao Mai Scientific-Electronic Corporation was guilty in the recent car smuggling case. Prime Minister Vo Van Kiet urged provinces and agencies concerned to strive to settle these cases and to report the results of their work to the government on 31 December at the latest.

"Prime Minister Vo Van Kiet also instructed the minister of commerce to terminate the service of officials of the ministry who issued licenses to unqualified establishments to engage in import-export activities."

On 14 December, the prime minister sent a letter to the Ministry of Commerce asking it to review its regulations on granting export-import licenses. The prime minister also instructed the director of the Customs Department to terminate service of officials of the Haiphong Municipal Customs Office who defended the Sao Mai Scientific-Electronic Corporation in the car smuggling case.

The Prime Minister's Office also reported that implementing Prime Minister Vo Van Kiet's instructions at the 10 October and 5 November 1992 meetings on improving work on the Lang Son-Hanoi rail route, various agencies and localities have filed reports on their efforts but the results were still unsatisfactory. It is noteworthy that the Post and Telecommunications Department has provided assistance to smugglers in the transportation of their smuggled goods from Lang Son to other provinces. The Vietnam Railway Union, in a report signed by its deputy director and addressed to the prime minister, said that it has not found any smuggling on the northern rail routes.

"The prime minister seriously criticized the director of the Vietnam Railway Union for his irresponsibility and instructed him to review his work and file another report to the prime minister."

Paper Interviews Deputy Foreign Minister

BK0301094393 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 23 Dec 92

[From "Press Review" program]

[Text] The SAIGON GIAI PHONG newspaper in its front page today reports that on his working visit to Ho Chi Minh City, Deputy Foreign Minister Vu Khoan granted an interview to the newspaper on the new advantages in international relations in 1993.

He said that in 1993, we will not only enjoy new socioeconomic advantages but also improving international relations though we still have to strive harder to overcome numerous obstacles. Therefore, we have to be prepared for this. Consequently, we have to quickly solve the following issues:

The first essential point is the internal dimension, that is the continuation of the renovation path and the firm maintenance of political stability, social order, and safety. Second, the infrastructure should be rapidly reorganized and constructed. Third, we need the continued development and improvement of the legal environment or system so that it becomes tight, clear, and uniform. Fourth, our understanding of marketing, demand, and the knowledge of the world and related countries should be broaden.

Comrade Deputy Foreign Minister Vu Khoan also held that Ho Chi Minh City is a big political, economic, cultural, and scientific and technological center. It also is an important transport junction for the entire country. Recently, it contributed greatly to the success of the nation's external relations. At the same time, in many aspects, it has also enjoyed the fine fruits of those achievements. Now, it is hoped that with its capacity, the city will take on the new opportunities that it faces.

555 Projects Licensed Under 1987 Investment Law

BK0101150793 Hanoi VNA in English 1357 GMT 1 Jan 93

[Text] Hanoi VNA Jan. 1—Since the promulgation of the law on foreign investment in Vietnam five years ago, 555 foreign invested projects have been licenced, said Dau Ngoc Xuan, chairman of the State Committee on Cooperation and Investment.

Speaking at a press conference held in Hanoi yesterday on the 5th anniversary of the law, Mr. Xuan said over the past five years Vietnam has promulgated more than 90 legal documents and the Vietnamese National Assembly has twice amended and supplemented the Law on Foreign Investment aimed at creating favourable conditions for the activities of investors.

Vietnam has also held 40 workshops on domestic and international issues in this field. So far, the state committee on cooperation and investment has licensed 555 investment projects capitalized at 4,627 million US dollars, including 407 joint ventures enterprises and 66 enterprises with 100 percent foreign capital, 59 business cooperation contracts, and 23 product-sharing oil and natural gas projects. Mr. Dau Ngoc Xuan further said that more than 70 projects capitalized at 1,400 million US dollars are being evaluated for approval in the near future. He continued: 'in 1992 alone, nearly 200 investment projects capitalized at 2,000 million US dollars wer licensed, including 10 projects on oil and natural gas exploration and exploitation.

Peasant Household Rights Foster Higher Output

BK0101070293 Hanoi VNA in English 0557 GMT 1 Jan 93

[Text] Hanoi VNA January 1st—In the process of renovation, a new managerial system in agriculture has fast taken shape and demonstrated the effective self-management in production and business by the peasant household. In the present-day countryside of Vietnam, peasant households have the right to own their means of production, the right to long-term use of land, to the free disposal of their products where and when it is most profitable to them.

In the Mekong Delta, farmers have reclaimed and put under cultivation hundreds of thousands of hectares. Tens of thousands of hectares have also been reclaimed in the Red River Delta, the northern part and the coastal provinces of central Vietnam. In the central highlands, the northern midland and mountain areas, peasants have put money in long-term industrial crops such as coffee, tea, mulberry, rubber, sugarcane, fruit trees, and continually enlarged the vac (garden, fishpond and animal husbandry) system of land exploitation. Some areas which had seen very slow economic growth in the past have become material producing areas associated with processing industries.

In many high or mountainous areas, farmers have developed gardening on hills and planted new forests combining agriculture with forestry with financial sources from foreign-funded projects. In the coastal areas, peasants have cooperated in dyke embankment, expanding aquatic product raising, and reclaiming 500,000 hectares of saline land for cultivation.

In many localities, traditional crafts have been restored, small industries and handicrafts are developing, and there has gradually emerged industrial production centres in the countryside, notably for farm produce processing. Some peasant households and groups of peasant households have taken up service activities to cater for production and life, effectively replacing the marketing cooperatives in this job.

The new economic policy and managerial mechanism naturally leads to the unequal development among farmer households in the same region. In the rural society there have been formed three social groups with different income levels: the first group can be regarded as the "rich section" who make up about 10-20 percent of the total households. They are entrepreneurial families who have successfully combined various occupations to produce commodity with loans from the bank. Their annual incomes range from 5 million dong to hundreds of millions of dong and are enjoying a quite comfortable life. The average-income group accounts for 50-60 percent. They have labour force but lack capital, so their main occupation is cultivation. The remaining 20-30 percent are listed as poor, of which 5-10 percent are very poor. In the former mechanism of state subsidies, the cooperatives used to assist them with paddy or other welfare services.

However, there remain irrationalities in the tax policy regarding agricultural production and credit loans, especially to the poor section among the peasants. It is not uncommon to see that the tax levied on farmers in fertile regions with favourable climatic conditions and low cost of production is lower than that in the difficult regions where production cost is much higher.

Regarding the policy on capital loans to peasants, generally speaking the poor are usually in the last row of borrowers because they do not have anything to mortgage. If this situation is allowed to continue, the poor would remain poor and the polarisation of wealth would continue. Many localities have urged the bank to adopt a suitable organization, mechanism, and policy so that the poor can borrow to expand production.

Statistics on 1992 Livestock, Poultry Production

BK0201062793 Hanoi VNA in English 0545 GMT 2 Jan 93

[Text] Hanoi VNA Jan. 2—In 1992 Vietnam achieved an output of 1,078,864 tonnes of live-weight offtake cattle, pig, and fowl including 797,156 tonnes of pig, the best year for livestock breeding to date. The whole country raised 18.6 million domestic animals, not including tens of millions of fowl bred in families. Hen and duck eggs reached 2.3 million, up by 14.6 percent compared with 1991. 16,000 tonnes of frozen meat were exported to the countries in the former Soviet Union. Besides, in cooperation with foreign, companies, Vietnam exported 3,000 tonnes of duck meat to countries in Southeast Asia.

Data for Hanoi Foreign Currency Transactions

BK0301065693 Hanoi VNA in English 0612 GMT 3 Jan 93

[Text] Hanoi VNA Jan. 3—After a year of operation (November 1991-November 1992), the Hanoi Foreign Currency Transaction Centre has achieved a turnover of more than 30,217,000 US dollars.

Only 20 members took part in the first trading session. The number now has increased to 80, many of which traded large amounts of money such as the Coal Company No. 3, the Tourist, Post and Telecommunications Service, the Oil and Gas Corporation.... [ellipses as received]

The amount of foreign currencies increased from 660,000 US dollars in the first sessions to 1.5 million US dollars at the year-end sessions.

The founding of the transaction centre has limited the uncontrolled trading of foreign currencies on the free market and their speculation, and created conditions to import-export operations of both state and private exporters and importers as well as to increase the state's foreign exchange reserve.

Also through such centres, the State Bank has increased its role of state management toward the monetary market, kept the exchange rate at a favourable level for the economy.

The exchange rate of the US dollars in Hanoi dropped from nearly 13,000 VN [Vietnamese] dong in late 1991 to 10,600 VN dong in December this year which in its turn has pushed to gold price down.

The Hanoi Foreign Currency Transaction Centre is holding two trading sessions weekly instead of one in the early months.

Government Issues Decree on AIDS Prevention

BK0301140293 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Dec 92

[Text] The government has just issued Decree 16 on combating and preventing HIV-AIDS infection. The decree says that Vietnamese citizens and foreigners in Vietnam are obliged to comply with government laws on combating and preventing HIV-AIDS infection. The government encourages organizations, groups, and individuals to conduct research to discover medication and measures to prevent and fight HIV-AIDS infection.

The decree outlines some regulations on the discovery, management, and care of HIV-AIDS carriers; concrete regulations for HIV-AIDS carriers; and responsibilities of government organs and individuals in combating and preventing HIV-AIDS infection. It emphasizes the duties of the National Committee for Combating and Preventing AIDS; the Ministry of Public Health; the Ministry of Culture and Information; the Ministry of Commerce; the Ministry of Education and Training; the Ministry of Interior; the Ministry of Labor, War Invalids, and Social Welfare; and related organs to coordinate with mass organizations in providing education on fighting and preventing HIV-AIDS infection. They are to do this via the mass media; by preventing, limiting, and controling prostitution and drug addiction; by providing guidance for combating and preventing HIV-AIDS infection; and by issuing regulations and checking on the implementation of regulations on dealing with HIV-AIDS infection.

General Attends 9th Military Region Meeting

BK0101155793 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 24 Dec 92

[Station correspondent Nguyen Van Nhung's report on the 22 December meeting of heroic units and heroes of the People's Armed Forces organized by the 9th Military Region to mark the 48th Vietnamese People's Army founding anniversary—portions recorded]

[Summary] "Dear friends, amid the jubilant atmosphere in commemorating the Vietnam People's Army [VPA] 48th founding anniversary and the all-people national defense day, on 22 December the 9th Militry Region Command organized a solemn meeting of heroic units and heroes of the People's Armed Forces. Attending were units of many Army corps of provinces in the Mekong River Delta.

"Those present were elated to welcome General Doan Khue, member of the Communist Party of Vietnam Central Committee Political Bureau and minister of national defense who attended and cordially addressed the meeting."

Lieutenant General Nguyen De, member of the CPV Central Committee and commander of the 9th Military Region delivered the opening speech stressing the significance of this meeting—the first organized by the 9th Militray Region in 17 years since the total liberation of the nation. He said that in reviewing the tasks of almost 50 years, the Army and people in 10 provinces of the Mekong River Delta are very proud of their great contributions to national defense and liberation as well as in fulfilling the lofty international obligations. A total of 179 cadres and combatants, and 223 units were awarded the titles 'heroes of the Armed Forces.' To obtain these glorious titles, the Army and people of the Mekong River Delta have made great sacrifices and endured untold hardships. More than 171,000 cadres and combatants of the Armed Forces in the Military Region sacrificed their lives while tens of thousands of them are now wounded and sick soldiers.

In the past, the party, state, echelons of the administration, and the people have provided great assistances to these heroes, families of the fallen soldiers, and wounded and sick combatants. Lt. Gen. Nguyen De urged these combatants to make greatter efforts to overcome numerous difficulties and to be worthy of the confidence the party and people have entrusted to them. He said:

"In commemoration of the 48th VPA founding anniversary and the all-people national defense day, I urge all of you to enhance vigilance, firmly grasp the party Central Committee Third Plenum's resolution, implement the party renovative strategies and lines, strive to combine the economic task with that of national defense, to satisfactorily carry out national defense and security, to build a firm and strong all-people national defense, to set up firm combat positions in localities, to resolutely maintain political stability to accelerate the renovation undertaking, develop the socioeconomic situation, and to make the Mekong River Delta provinces rich and prosperous in the advance toward socialism. We must strive to make the three categories of troops firm and strong so as to stand ready to foil all enemy schemes and protect the party and socialism. We must ensure political security and safety for the people to enable them to peacefully engage in production. We must also strive to overcome difficulties and weaknesses, to eliminate negative phenomena, to strengthen the region's Armed Forces and to inculcate into them a sense of loyalty to the party, the fatherland, and the people. We must satisfactorily fulfill all tasks in the new situation, especially in the building of the all-people national defense, enhancing combat readiness, promoting mass mobilization work, engaging in productive labor, and maintaining the quality of Uncle Ho's soldiers so as to be worthy of the love and confidence of the party, the administration, and people of provinces in the Military Region."

Afterward, representatives of heroic units and heroes of the Armed Forces took to the stage to express their gratitude to the party, the government, the 9th Military Region Command, and echelons of the administration for their supports and assistance.

"General Doan Khue cordially met with representatives of heroic units, heroes of the Armed Forces, and their parents. Addressing the meeting, Gen Doan Khue, on behalf of the party Central Committee Military Commission and the Ministry of National Defense highly commended cadres, combatants, and people of the Mekong River Delta for their great contributions and sacrifices of the past years as well as great efforts of the 9th Military Region in carrying out their tasks and duties in 1992. He also stressed key targets that our entire party, people, and Armed Forces must attain in 1993. After assigning concrete tasks to units of the 9th Military Region, Gen Doan Khue said:

"I hope that with the political impetus, the theoretical capabilities, and vast experience, you comrades will continue to develop the Army's fine character, to overcome all difficulties, to fulfill the assigned tasks so as to be worthy of the confidence extended to you by the party, the people, and the military region. On the New Year, I wish all veteran revolutionaries and the elders good health so that you will continue to contribute your talents, and together with your sons and grandsons, to build and defend the fatherland. I also wish you all happiness in your daily life. I wish all cadres of the party and the administation, cadres of the 9th Military Region who present here today—and through you the people and members of the Armed Forces of the region—ever greater achievements in the New Year, a better spiritual and material life, and the ability to firmly maintain the national heroic tradition."

"Dear friends, the meeting concluded with warmth and confidence by all participants to fulfill tasks assigned by the party and state."

Increase in Rural Housing Construction Noted

BK0101065293 Hanoi VNA in English 0547 GMT 1 Jan 93

[Text] Hanoi VNA Jan. 1—The Union of Construction Enterprises for Rural Development has this year built and handed over to the owners 90,000 cubic meters of housing and public works, overfulfilling its annual plan by 20 percent. For this, the union achieved an output value of 80 billion dong and made its full payments to the state budget. In 1991, the union built and handed over only 60,000 cubic meters of housing and public facilities.

The union comprises 18 construction enterprises, most of which have shifted over to the mechanism of economic accountancy and operated with good efficiency. Most eminent among the union's affiliates are construction companies 2, 4 and 5, which have completed their construction projects with high quality and registered a turnover of about 10 billion dong each.